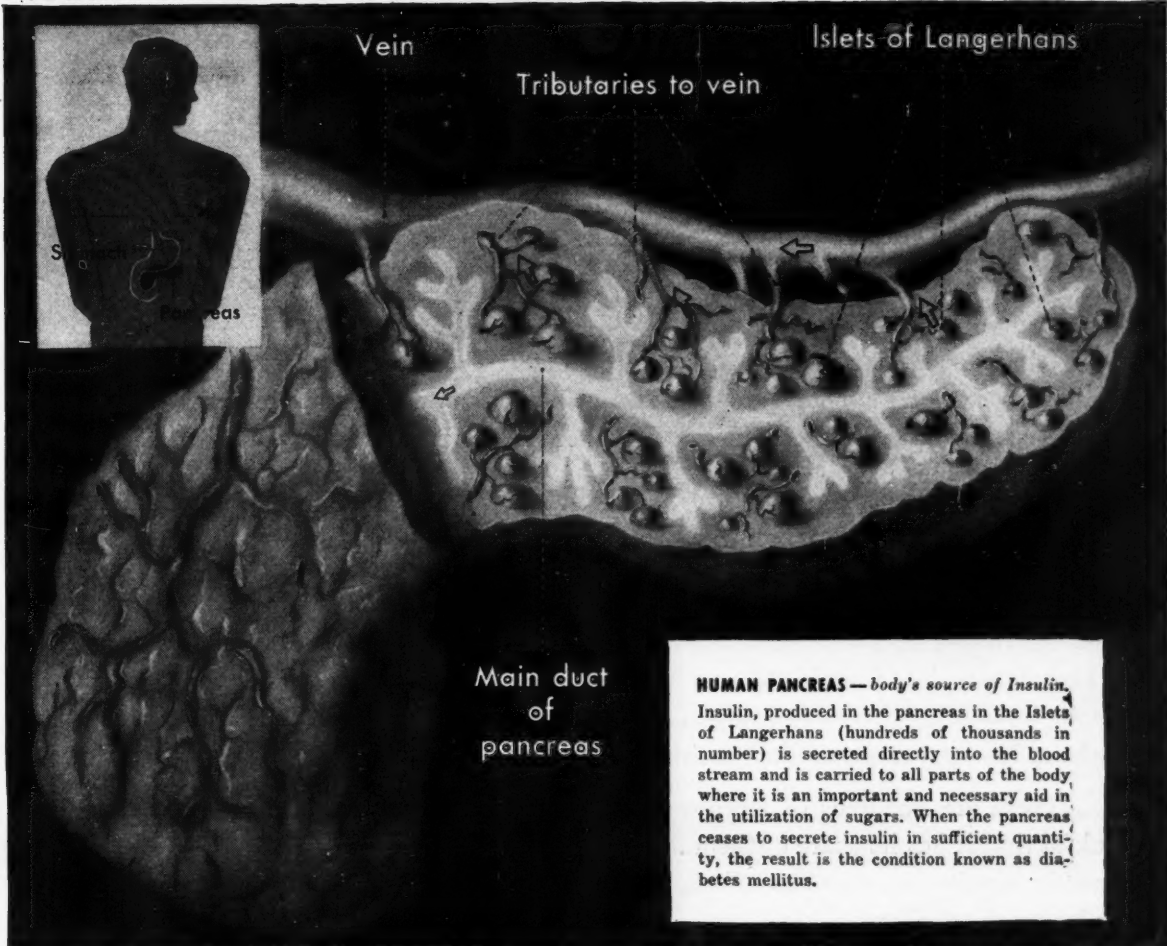


The NATIONAL UNDERWRITER

Life Insurance Edition

GERIATRICS: HELPING OLDER PEOPLE ENJOY LIFE LONGER



Semi-schematic drawing by Jean E. Hirsch

Longer life for people past 40

Estimates indicate that about four million Americans will develop diabetes during their lifetime. On this basis, your chances of getting it are about one in thirty. If diabetes runs in your family the chance is greater.

But, if you do get it you still have every reason to count on a comfortable, normal life span. In 1920, diabetes was still a fatal ailment, killing its victims usually within one year. In 1921, with the discovery of the miracle drug insulin, the killer was disarmed. Its conquest gave one of the earliest hints of benefits to come through geriatrics — the science of helping older people enjoy life longer.

Diabetes results from a deficiency of insulin. It is on the increase among older people, particularly women, in part because of richer diets and less vigorous lives, in part because people are living longer. At any age, it is easy to control diabetes through injections of insulin; in fact, life insur-

ance is being sold to diabetics taking insulin. The diabetic can even have hope of an arrested case, where his own pancreas reactivates to furnish again the body's full requirement of insulin.

Great strides are being made in alleviating many such disabilities more common to later life. Progress already made in geriatrics promises to the man or woman of 40 the probability of attaining a full three score and ten years of pleasure and accomplishment, free of "old age" diseases and free of the fear of them.

Health is one ingredient for comfort in later years. The other is financial independence, founded in a sound

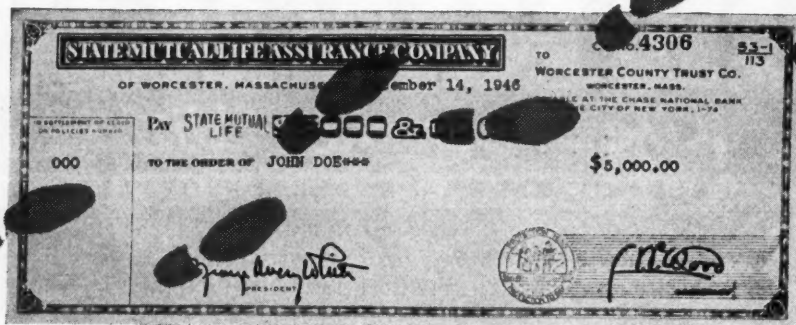
program of savings and life insurance.

And as your own good health is a matter for competent hands, so is your financial planning. Your NWNL agent, paid not primarily for how much insurance he sells you but for what you keep in force, has a strong selfish interest in providing you with exactly the right kind and amount of life insurance, measured by what you need and can afford. He is exceptionally able to help you plan wisely for a financially comfortable future through life insurance.

FREE PAMPHLET: "Taking the 'die' out of diabetes" tells of accomplishments of medical science in conquering this once-fatal disease. Sent free on request.

NORTH WESTERN National LIFE
INSURANCE COMPANY
J. Arnold, President Minneapolis 4, Minn.

FRIDAY, JANUARY 31, 1947



KILROY WAS HERE

It's a good thing he was. At that, he didn't arrive a bit too soon. And if he hadn't been one of those guys that won't take no for an answer, the protection never would have been put in force. Kilroy was here all right, and a guy with a strong purpose and a stout heart he was.

Now—years later, the footsteps of Kilroy are clear. How sharply they are etched in the minds of a widow whose only income is from the insurance funds her husband left . . . how impressionable is the image of Kilroy on the minds of children who, except for his convincing manner, would be forced to give up the advantages of going to college . . . how deeply conscious is the surviving partner who now can continue the business without liquidating or reorganizing . . . how truly grateful are the elderly couple who, thanks to Kilroy, can spend their retiring years in leisure and peace.

There are hundreds of Kilroys in the life insurance business. State Mutual is thankful that it has its share of them . . . the advance guards that prepare the way for economic security . . . who "go in" ahead in true Kilroy tradition, and make easier the way for those to follow.

Yes, the Kilroys are the field force who, sensing a vital need, just won't take no for an answer until an economic beach head has been established. And because of them, over \$23,000,000 was paid out last year to beneficiaries of policyholders in America, whose life insurance had been in force less than one year. To them especially will the memory of Kilroy live long.

To our own State Mutual Kilroys and to all the Kilroys in the business, a salute from State Mutual.

May your famous chalk-mark, "Kilroy Was Here" be inscribed in areas yet uncaptured.

STATE MUTUAL LIFE
Assurance Company
 OF WORCESTER, MASSACHUSETTS

Professors Reelect Kulp, Award Sawyer Literature Prize

**Interstate Commerce Book
Wins Trophy, Fitzgerald
Stays Next in Line**

By JAMES C. O'CONNOR

E. W. Sawyer, New York, counsel National Assn. of Casualty & Surety Agents and National Assn of Insurance Brokers, was awarded the Elizur Wright memorial award for the best insurance

writing of the past year at the meeting of American Assn. of University Teachers of Insurance at Philadelphia last week. The award of a certificate and a cash prize of \$250, made possible by an anonymous donor, was for Mr. Sawyer's book "Insurance as Interstate Commerce."

Dr. C. A. Kulp, University of Pennsylvania, was re-elected president. Dean J. A. Fitzgerald, University of Texas school of business administration, remains vice-president and Dr. C. A. Kline, University of Pennsylvania, will continue as secretary until a successor can be secured. Dr. Kline, who has been secretary for the past eight years, asked to be relieved of his duties, but agreed to serve until the executive committee can make other arrangements.

New Executive Committee

Prof. E. A. Gaumnitz, University of Wisconsin, was elected to the executive committee, succeeding Dr. J. E. Hedges, Indiana University, whose term expired this year. Because of the death of C. L. Parry, New York, Metropolitan Life, Dean L. J. Ackerman, University of Connecticut, was chosen to fill his unexpired term. The other members of the executive committee are Dr. F. G. Dickinson, American Medical Assn., immediate past president, and J. M. Breen, Chicago, Lumbermen's Mutual Casualty. Past President E. L. Bowers, Ohio State University, was chairman of the nominating committee.

Association Growing

Membership is now 112, an all-time high. It is not confined to actual college teachers—who now constitute about half the membership—but is open to anyone engaged in any form of insurance education, and the group is anxious to enlarge its membership, particularly among educational directors of insurance companies and agents and field men who participate in local study projects. The association is anxious to cooperate with other groups interested in insurance education at any level.

Another project close to the hearts of many members is the publication of a quarterly journal, not competitive with any existing publication, and devoted to scholarly material of general insurance interest. Because of the dual problem of finances and manpower, this project is still in the future tense, but there was a serious discussion at the business meet-

(CONTINUED ON PAGE 23)

DISCUSSES COMMON STOCKS AS INSURANCE INVESTMENT

R. F. Maine, financial secretary of Provident Mutual Life, in a speech on "Common Stocks

as Life Insurance Investments," before the American Assn. of University Teachers of Insurance at Philadelphia, took issue with traditional investment attitudes, which he said are too often accepted as inviolate, and deeply rooted belief that debt securities are of themselves safer than common stock equities.

Reiterating the responsibility of insurance investment management of first maintaining safety of principal and of then obtaining maximum return, Mr. Maine questioned whether the attributes of bonds which he listed as fixed coupon rate and maturity date, are so essential to the investment function of life insurance companies as to exclude moderate holdings of common stocks preceded by little or no senior capitalization.

"From the life insurance investment standpoint, over-emphasis upon the mere form of a security in a constantly changing financial and business environment is to oversimplify the problem of putting funds to work and may lead to a negative or myopic approach," he said, adding "Sustained future investment value is at best an elusive goal and continued protection of value cannot be assured through too strict adherence to a bookkeeping philosophy of safety of principal."

Quoting Arthur Stone Dewing's "The Financial Policy of Corporations," Mr. Maine said the canons of sound investment consist of methods of analyzing the individual industry, the individual corporation and the individual security. Discrimination between the young and vigorous industry and corporation in contrast with the old and decadent rests on the analysis of the individual rather than on the classification of types, he declared.

Warns of Bond Valuation

Mr. Maine warned of the method of valuation of bonds by the earning times interest requirements method. "The widely held view that this 'multiple of coverage' is the keystone for judging quality is most dangerous and has caused much confusion in the thinking about the relative merits of bonds and common stocks. Its superficial use tends to minimize more important factors such as the source and structure of earnings. 'A high multiple of interest coverage on bonds can disappear in short order if it rests upon a narrow profit margin,' he stated.

Pointing to the fact that insurers have been owners of equities through reorganizations and foreclosures, the Provident Mutual financial chief asked, "Why buy a bond 'next to the rails' and pass up a junior security in a company where there is a prospective growth in income for the protection of the security holder?"

He called attention to the increasing modification of state insurance laws permitting moderate voluntary investment in various types of equity securities. The direct purchase of income producing real estate and the construction of housing projects may be classified as equities along with income bonds, preferred and common stocks, he said.

Disclaiming any intention to build up



R. F. Maine

a case for speculation in common stocks, he stated it is his opinion that since earning power is the source of all investment value irrespective of security type, life insurance funds should be directed into those channels evidencing an upward trend of earnings and conservative financial policies.

Citing the difficulty of appraising future earning power, Mr. Maine said that historical records provide only a partial key to the future. In fact, he said, they may even prove to be a misleading guide and this is more evidently today than ever before. How should the excellent record of bituminous coal carrying railroads be evaluated at the outset of the Atomic Age? he questioned.

Mr. Maine emphasized the necessity of constantly reappraising earning power, and he submitted the argument that satisfactory future earnings depends not on the dollars of profit shown in the past but on the ability of the issuer to maintain a continuing control over costs of operations in relation to sales in the future. He said that a more favorable, sales-cost relationship can best be maintained by leading companies within the more dynamic industries and that the opportunity for permanent investments in such situations is frequently confined to common stocks.

There probably are only a thousand publicly held common stock issues likely to be of interest to institutional investors, Mr. Maine said, but the companies represented by these shares, cut across the entire fabric of American business and in the aggregate represent a very large segment of total corporate business enterprise.

Wide Range of Industries

Here, he said, is an immediate outlet for substantial funds in a wide range of industries. The careful investor can buy proven vigorous management, demonstrated earning power and consistent dividend income. The area that might be considered eligible, he asserted, is at least as great as the entire private corporate bond and mortgage field. With access to this area, the life insurance investor can retain initiative in salesmanship and retention of securities, for here is the broadest group of irredeemable issues.

Adverse selection, Mr. Maine said, is always a threat but this is true, he pointed out, with a portfolio comprising bonds, mortgages and preferred stocks.

He admitted that the bond form of evaluation is most convenient from the actuarial standpoint. The coupon rate is fixed and the purchase price can be amortized to par at some fixed date so as to produce a rate of return that can be directly related to contractual liabilities. If all goes well over 30, 50 or 100 years, income will have been correctly stated, but this at the time of purchase is only a theoretical assumption.

On the other hand, Mr. Maine pointed out, losses can throw these careful mathematical calculations completely askew and eventual realized return may be far from the anticipated yield at the time of purchase. Prepayment and re-investment at lower rates also invalidate actuarial expectations, he pointed out.

Poses Question

Concerning the valuation of principal at maturity, Mr. Maine said that this would only be sustained if the issuer at that time has earning power sufficient to make payment with accumulated funds or if refunding is feasible. If earning power has been declining over the interim the debtor probably will not

(CONTINUED ON PAGE 24)

State Officials and Industry Group Reach Accord

**Chicago Sessions Compose
All But Few Differences
on Legislation**

The National Assn. of Insurance Commissioners, through its two committees, and the all-industry committee, at their meeting in Chicago, came to full agreement on the casualty-surety and fire-marine rating bills, except for the continued differences of opinion over whether the profit to be considered in approving rates should be all profit, as the commissioners contend, or only underwriting profit, the version wanted by the insurance companies. The amendments proposed by National Assn. of Independent Insurers to permit rates to be filed with less detailed supporting data than under the original bill were unanimously accepted with modifications which made them palatable to both commissioners' and all-industry group.

The committee further studied proposed fair practices acts for consideration by state legislatures and reached full agreement on the provisions of such a measure at the state level, with only two exceptions. These exceptions are the language to be used in section 4(a) in defining boycott, coercion and intimidation as an unfair method of competition and the necessity for including a provision which would state that the enumeration of unfair methods of competition and unfair or deceptive acts and practices in the insurance business is not exclusive or restrictive or intended to limit the powers of the commissioner under the omnibus provision. The boycott matter concerns the inclusion of individual acts of boycott, which the commissioners want, and which National Assn. of Insurance Agents particularly object to.

No changes were made in the proposal dealing with personal accident and health insurance which was agreed on by the all-industry committee and the commissioners in December.

Joseph F. Follmann, Jr., manager Bureau of Personal Accident & Health Underwriters, served as chairman of the meeting. H. G. Wood of Equitable Society, who has been secretary of all previous meetings, again served in that capacity. The committee adopted a resolution eulogizing the late Dave E. Satterfield, Jr., executive director of Life Insurance Assn. of America, who served as chairman of the subcommittee on drafting a fair trade practices act.

The commissioners at their meeting in December accepted the all-industry Robinson-Patman proposals and those regarding accident and health insurance. The Chicago meeting, therefore, sees the commissioners and the all-industry committee in very substantial agreement on all issues which have occupied their attention for the last 18 months. This agreement gives impetus to the program of submission of the rate regulatory bills to the state legislatures in current and coming sessions this year. Many of those at the Chicago meeting felt that with full agreement on the amendments to sections 4(a) and 5(e) of the rate regulatory bills as between the commissioners committee and the all-industry committee, the chances for enactment of the rating bills was very considerably enhanced.

Strength and Progress Shown in New Statements

AETNA LIFE

Premiums of the Aetna Life companies for 1946 were \$276,496,767, an increase of more than \$22 million for the year. In the parent company the premium income was \$189,145,992, an increase of more than \$8 million.

New life insurance business in the ordinary department was \$256 million against \$189 million in 1945. New insurance on group life and employee plans amounted to \$409 million against \$220 million.

Insurance in force in the ordinary department increased \$138 million to \$2 billion 214 million, and insurance in force in the group department increased \$656 million to \$4 billion 100 million. Total insurance in force was \$6 billion 314 million, an increase of almost \$800 million.

After providing \$3,874,549 for dividends to policyholders in the participating department and after allocating \$4,531,198 to strengthen the valuation reserve basis, surplus increased \$3,009,290 to \$48,016,637.

The excess of the fall in market value of stocks over profits on sales, amounting to \$3 million, was charged to contingency reserve. The contingency reserve was \$42,000,000.

The interest rate in the life department is 3.01%, as against 3.16% in 1945.

The combined companies held bonds valued at \$674,516,574, an increase of \$66 million over the year before.

Aetna Life closed the year with assets of \$1 billion 247 million, an increase of over \$94 million.

CONNECTICUT MUTUAL

Insurance in force in Connecticut Mutual crossed \$1½ billion mark during 1946 and at the year end stood at \$1,540,193,118, an increase of \$158,645,554. Sales were the largest in history, totaling \$207,143,298, an increase of \$79,227,284 or 61.9%. The average amount per policy was \$5,037 as compared with \$4,744. Mortality was very favorable.

Payments amounting to \$43,613,187 were made to policyholders and beneficiaries including dividends.

Assets amounted to \$637,297,137. Net rate of interest earned on invested assets was 3.51. For 1945 the rate was 3.56.

There was an increase of \$19,688,962 in stock investments; \$12,943,910 in government bonds, \$9,438,412 in mortgages, and \$7,884,750 in real estate. The company purchased for investment items of real estate amounting to \$8,124,060. All of these properties are located in preferred areas of certain key cities and with the exception of a property adjoining the home office grounds are leased for extended terms to leading merchandise chains. The rentals paid are on a net basis, the tenants paying all operating expenses, including repairs, management, insurance and real estate taxes.

New full-time agents added numbered 287 of whom 190 were veterans.

In line with the policy of using investment profits and a portion of regular earnings, to strengthen reserves for contracts where there is doubt whether the original assumptions were conservative enough, certain annual premium annuity reserves are being further strengthened to the extent of \$3,057,517. As a result, no annuity reserves now assume that a higher rate of interest than 2½% will need to be earned on the corresponding assets.

In addition, with respect to optional settlements contained in older policies, a reserve of \$5 million was entered.

CONTINENTAL ASSURANCE

Continental Assurance, at the end of 1946, showed assets of \$87,782,954, an increase of \$12,891,024. Capital remained unchanged at \$2 million and \$897,948

was added to surplus, increasing the total to \$4,844,544. In addition, general contingency reserve amounted to \$1½ million and group contingency reserve was \$1 million.

Insurance in force was \$702,309,289, an increase of \$162,873,172. This was the largest increase in history both in amount and percentage.

The greatest portion of the increase was in ordinary insurance; no new unusually large group risks were written during the year.

FEDERAL LIFE

Federal Life in 1946 crossed the \$100 million mark of insurance in force and closed the year with \$106,603,855, an increase of \$7,585,955. New paid for life insurance exceeded 1945 production by 25%. A. & H. premium income increased \$188,897 and the total was \$1,974,121.

Assets increased \$1,375,022, making the total \$25,084,351.

Earnings were in excess of \$200,000, but this was less than in 1945 due to increased claims combined with the continuing low interest earnings.

Not a single issue of bonds owned was in default as to principal or interest.

Capital is \$1 million and net surplus \$1,247,170.

GUARDIAN LIFE

With \$684½ million of insurance in force Guardian Life reports its largest net gain in business during any year. Its 1946 increase of \$60 million was 25% greater than for any previous year. Sales reached \$82½ million, up 46.8% over 1945.

Payments to policyholders and beneficiaries amounted to \$10.4 million, 5.9% more than in 1945. Another \$13.8 million was reserved for future policy payments and \$2½ million was added to surplus, an increase of \$1.3 million over 1945.

Death claim payments of \$5 million increased less than \$150,000. War losses were \$380,000 in 1946. The last of its missing-in-action claims was paid during the year.

Continue Dividend Scale

The dividend reserve of \$2½ million was an increase of 8% and will provide for continuing the current scale during 1947.

The average net interest return on all investments was 3.04.

The company took advantage of a favorable market to dispose of \$3.68 million of real estate at a profit, over depreciated book values, amounting to \$1 million. Profits on the sale of securities were \$1.4 million.

A total of \$6½ million in preferred stocks more than doubled the 1945 holdings.

Mortgage loans amounted to \$59 million, an increase of \$5 million. New loans made totaled \$13 million. Repayments in full, which in pre-war years would have averaged about \$1 million, were \$5 million; regular amortization payments were \$3 million. There were no foreclosures made during 1946.

MANUFACTURERS LIFE

Manufacturers Life reports that its new business for 1946 was \$154,236,828, which was an increase of \$46,733,846. Insurance in force is crowding the \$1 billion mark, the exact figure being \$969,884,256, an increase of \$116,197,019. Payments to living policyholders totaled \$12,534,019, including dividends, and death claims were \$6,726,447. Mortality rate continued to be favorable.

Assets increased by \$34,311,701 and now amount to \$330,143,238. Gross rate of interest earned was 3.61.

Contingency reserve amounts to \$5 million and surplus to \$11,747,416.

B. M. A. Makes 10 Major Changes

KANSAS CITY—Ten major changes in the home office setup of B. M. A. are announced.

J. H. Torrance, vice-president since 1922, becomes vice-chairman.

L. D. Ramsey, secretary since 1920, becomes vice-president and controller.

I. H. Wagner, formerly controller, is now secretary.

John W. Saylor, previously director of sales, is now vice-president in charge of sales.

Jack R. Morris, who has been in charge of advertising and sales promotion activities in the sales department, is named director of publicity.

Clarke Wittlake, who has been assistant actuary since returning from army service as a major, is appointed to the new position of assistant to president.

E. A. Carlson becomes assistant secretary. He was assistant controller.

Frank Blake of the investment department is named assistant treasurer.

Lester Foreman is appointed assistant supervisor of farm loans.

C. J. Kerl is elevated to manager of supplies.

MINNESOTA MUTUAL

Minnesota Mutual Life insurance in force rose to \$421,342,237 at Dec. 31 and assets to \$85,017,468.

The gain of insurance in force was the largest in history, \$74,080,881, an increase of 21.3%. Assets increased \$7,950,498. Net interest earned on mean ledger assets was 3.2%.

Life insurance sales were up by 55% from \$71,901,006 in 1945 to \$111,276,153 in 1946.

Living policyholders were paid \$2,510,686, while death payments were \$2,438,538.09.

The average size new policy increased \$736 to \$4,866. Assets showed the largest increase of any year.

Expense ratios for 1946 are substantially the same as for 1945.

NATIONAL LIFE

Insurance in force in National Life of Vermont with a record increase of \$87,661,669, rose to \$828,250,367, thus crossing the \$800 million mark. Sales of \$113,661,973 set an all-time high record.

Payments to policyholders totaled \$25,479,574, including dividends of \$5,264,806.

Assets were \$342,510,060, an increase of \$15,728,915 after retiring bank loans of \$7½ million shown in last year's statement and made to assist in purchasing government bonds.

The company earned 3.2% net on its assets, compared with 3.44% in 1945.

Mortgage loans were the chief investment outlet in 1946. The company purchased \$16,057,603 of FHA loans, \$20,226,914 of uninsured city loans, \$898,144 of farm loans and \$22,115,661 of GI loans. In first mortgages the company now holds over \$194 million.

For the fifth consecutive year no bond was past due as to principal or interest. The bonds had a market value of \$116,122,376 which was 3.31% more than book value.

The preferred stock holdings in 25 industrial and 19 public utilities were all cumulative as to dividends and had a market value of \$11,238,573 which was \$726,314 in excess of book value. Two issues were in arrears.

Reserves exceed legal requirements and at no point is the interest assumption greater than 3%. The sum of \$5,327,052 has been set aside for dividends during 1947 on the same scale as has prevailed for the past four years. Surplus was increased by \$603,538, bringing the general surplus to \$16,421,482 including a contingency reserve of \$2 million.

Himes M. Silin has joined Massachusetts Mutual as district manager in the G. Daniel Baldwin building, Erie.

L. D. Meredith Executive V.-P. of National Life

MONTPELIER—L. Douglas Meredith has been elected executive vice president of National Life of Vermont. A. H. McAulay was elected director of selection and Dr. Andrew J. Oberlander was elected medical director, succeeding Dr. Edwin A. Colton, 70, who is retiring after having been with the company since 1905. Dr. Harry A. Colombo was elected an assistant medical director and Roy L. Johnson director of personnel and purchasing. Besides Dr. Colton, William B. Stratton retired as superintendent of policy loans after 41 years with the company. William A. Keltie was elected assistant actuary.

L. D. Meredith

L. D. Meredith

Mr. Meredith will also continue as chairman of the finance committee, which capacity he has become widely known as the leader of progressive investment policies, particularly in the mortgage field. Mr. Meredith is 42. He holds a number of college degrees and Phi Beta Kappa honors. He has been a university professor of economics and commissioner of insurance for Vermont.

Mr. McAulay has been assistant actuary. He graduated at Glasgow University, and saw service with Sun Life and Northwestern National before joining National Life in 1944.

Dr. Oberlander graduated at Dartmouth and Yale school of medicine in 1933. He has been with National Life since 1940. He was a navy lieutenant commander.

Dr. Colombo was a major in the army medical corps.

Prudential Officials and Southwest Managers Confer

The business outlook for 1947 plans for the expansion of Prudential organization in Texas were discussed at a conference in Dallas attended by eight home office representatives and managers from six states comprising the southwestern region.

The home office contingent included Sayre MacLeod, recently elected vice president; George H. Chace, now retired, whom he succeeded in that position, and W. Jackson Letts, who succeeded Mr. MacLeod as second vice president.

Prudential managers from Texas, Oklahoma, Kansas, Missouri, California and Arizona were in attendance. A dinner was held Thursday night with James Hill, Dallas manager, as host.

Slate 3 Millionaires

Three members of the Million Dollar Round Table will present ideas at Saturday morning sales forum of Chicago Assn. of Life Underwriters March 8.

Walter N. Hiller Stumes & Leach agency Penn Mutual, will be in charge and taking part will be Harry R. Schuchman, CLU, Persons agency Mutual Life; Lee Alberts, Woody agency Equitable Society, and Paul W. Cook, general agent Mutual Benefit.

To Teach Insurance in Schools

The Joplin (Mo.) Assn. of Insurance Agents and the Joplin Life Underwriters Assn. have arranged with the board of education to teach principles of insurance students in the Joplin high school.

New Method for Taxing Annuities Gets Much Support

Would Exempt Annually Consideration Divided by Life Expectancy

WASHINGTON—A new method for taxing annuities, pensions and other retirement allowances which would give the recipients a much better break on their income tax is in the files of the Senate finance committee and is due for discussion in the present Congress in connection with revising the tax laws.

Devised and recommended last year to the Senate finance committee by the staff of the joint committee on internal revenue taxation, the proposal would eliminate the present basis of taxing income annuities, pensions, etc. which regards as reportable income the excess over 3% a year until such time as the exempt portions equal the original consideration. Instead the consideration paid for the annuity would be prorated over the recipient's life expectancy, as shown by mortality tables and this amount would be exempted each year until the recipient had attained his expectancy.

Would Answer Main Objection

This system would take care of the biggest objection to the present plan. On the basis now used, the annuitant has little chance of living long enough so that the tax-free portions of income add up to anywhere near the amount of his original consideration.

Under the present basis it is possible only at the older ages for an annuitant to live long enough to receive back his entire consideration tax-free. At younger ages the possibility becomes non-existent. For example, on the basis of census bureau mortality, an annuitant who started to receive income at age 65 would have to live 700 years to recoup his consideration tax-free. On the proposed basis, no matter what his age, he would only have to live out his life expectancy in order to receive back his entire consideration tax-free.

As proposed, the plan would spread the exemption over the recipient's life expectancy. For example, if a man had an expectancy of 20 years from the date he started receiving his annuity one-twentieth of the consideration would be regarded as tax-free income in each of the next 20 years. After that the entire annuity income received each year would be regarded as taxable income.

The proposal arose as a counter-suggestion to the demands by civil service employees who during the last Congress requested a special \$1,440 special exemption for their retirement pay. Instead of setting up a special class of exempt income recipients the joint committee's staff thought it would be better to revise the present basis of taxing annuities and retirement benefits and have it apply to everybody.

A bill has been introduced in the House at the present session containing the \$1,440 exemption for civil service employees' retirement benefits. The same bill was passed by the House at the last session but died in the Senate finance committee. It was at the latter's direction that the joint committee on internal revenue prepared the report containing the suggestions for changing the basis of taxing annuities and retirement benefits. If the present bill passes the House it appears certain that the suggestion for the change in method of taxation will be brought out and will doubtless receive strong support.

FATALITY RECORD STILL GOOD

Air Crashes Haven't Changed Underwriting Attitude

NEW YORK—The recent series of airline crashes has had no effect on underwriting of aviation risks by life companies and on the present basis of airline operation there seems to be no likelihood of any change in the companies' attitude. Accustomed to looking beyond mere appearances to the actual figures, the companies realize that in spite of the distressing loss of life that has occurred the domestic scheduled airlines on the basis of passenger miles flown per fatality had more than twice as good a record last year as in 1945. The 1946 record was 1.24 passengers killed for each 100 million passenger-miles flown.

Underwriters, however, take a less sanguine view of the crashes in non-scheduled or chartered passenger operations, though not to the extent of changing their underwriting policies. There have been a good many crashes of chartered planes and because their operators are not required to report on the number of passenger miles flown there is no way of telling how good their record is. However, it is believed that a large part of the seemingly bad record is due to the vastly increased amount of this type of flying that is being done. Even so the feeling is that their record is not anywhere near as good, on a passenger-mile basis, as that of the scheduled airlines.

Introduction of new restrictions on charter flying should help raise the safety record of this type of operations. Many of these charter operators are small outfits that have been able to get by largely because they did not have

to have the elaborate safety equipment required of the scheduled airlines. While even the recent restrictions do not bring the requirements to the scheduled airlines level, it should make a considerable improvement.

It will also unfortunately raise the cry from many of the charter operators that they are being driven out of business, since they cannot afford this expensive extra equipment. There is an ironic aspect to this situation, as it is largely through their pressure on Congress that they have staved off the application of these stricter rules, while now congressmen are loudly demanding an investigation of the airlines crashes.

Naturally the life companies would like to see the airlines' safety record a lot better than it is, just as they would like to see an improvement in the shockingly high automobile fatality record, but there is no disposition to make a special class out of either the airline traveler or the ordinary motorist. The hot debate that has been going on about failure of civilian aviation and the government to adopt bad-weather landing systems that would have saved many lives indicates what improvement may be expected when the interested parties become sufficiently aroused to spend the necessary money.

Wehr Monumental V.-P.

Frederick L. Wehr, former secretary of Monumental Life, has been elected a vice-president and Frank Baker, former assistant secretary, as secretary.

All-Powerful Treasury Assumes Society's Duties: Woodward

Public Debt Creates Restraint, Mutual Life Executive Says

ATLANTIC CITY—Under condition of restraint that the public debt has created among Americans, the respective functions of family, church, business organizations and the state have tended to be realigned and transferred to the Treasury Department, Donald B. Woodward, second vice-president of Mutual Life, said. Mr. Woodward, who is secretary of the committee on public debt policy, spoke here at the annual meeting of the American Economic Assn.

D. B. Woodward

The Treasury, he said, is "a new and different central bank" with greater powers, responsibilities, resources and techniques, larger personnel and wider influence than any other institution created by society. The Treasury represents the "one semblance of a master" of the public debt, he said, adding that the debt is "an imperious creation" that controls the assets and the actions of the Federal Reserve, just as of other financial organizations, and determines the decisions of the budget bureau.

Responsibility Is Shifted

Under the influence of the public debt, the responsibility of business organizations for liquidity, employee compensation, determination of the rate earned on investment capital, and the pricing of products has been shifted to a considerable degree, Mr. Woodward declared. He warned that if such transfers continued beyond a certain point, the responsibility for the volume of private production, distribution and employment itself, will have passed out of the hands of private business as initiative is discouraged by the rising evaluation of risk and the falling expectation of profit.

The tendency has been for the family to transfer to business organizations and the state some of the conventionally family duties such as responsibility for financial liquidity, provision for personal catastrophe, credit-worthiness, maximization of income, provision for education and training, investment of savings, and administration of investment, the insurance executive said.

He added, the church and its basic temporal functions of education and charity, appear to have been influenced from two sides by the public debt and the induced inhibitions. "The church's means to perform the responsibilities are shrinking, and the demands upon it are being reduced as the family transfers them to the business organization and the state. The result is that the church is being further defunctionalized as to temporal activities."

Mr. Woodward said that society today does not want any significant deflation in the quantity of money and will go to great lengths to avoid it.

He added that "the inhibitions of money supply, interest rates and prices, furthered by the debt, produce another inhibition, that against substantial retirement of the debt itself."

Interdependence

During the 1840's there were several places of rendezvous for pioneer parties to start West in covered wagon trains but the most famous jumping-off place was Independence, not far from Fort Leavenworth.

At Independence strangers gathered to form a community which for a long time would go on wheels. This wagon community was thoroughly organized. A captain, judges, and other officers were elected, and a committee as well. And when the wagon train headed westward all pioneers in the train had specified duties. Some were assigned to cooking, some to herding the cattle, some did the hunting for fresh meat. All took turns at guard duty against Indian attack.

There were quarrels and debates but all clung together for the organization and security which would get the whole wagon train through to the ultimate destination. It was one form of mutuality and mutuality was expressing itself in a number of ways on the American continent during the 1840's, including life insurance. Those who left the town of Independence and went "Westward Ho!" knew that mutuality meant interdependence.

1847 — Penn Mutual Centennial — 1947

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THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

P.O. Has No Crackdown Program Up Its Sleeve

By H. C. HALLAM

WASHINGTON—Little specific information is available at the Postoffice Department concerning recent press reports of an impending crack-down by it on Chicago insurance companies operating through the mails on the charge of fraud. It was pointed out at the department that its policy is not to release information to the public about its proceedings in a case of alleged fraudulent use of the mails unless and until a fraud order is issued denying use of the mails to a specified concern.

Solicitor F. J. Delany of the department, who recommends such orders for issuance by the Postmaster General, said he could not "say much of anything" regarding the press reports referred to "at the present time." Mr. Delany, a Chicago man who has been in his present office since last summer, prior to that had served in the Department of Justice.

Concerning the rumor that he has gone on the warpath against mail order insurance companies, he says it takes two to make a war and that he has committed "no overt acts."

Gives Hint to the Industry

While insurance company fraudulent use of the mails can be dealt with by the Postoffice Department like any

other type of fraud in the mail, and a number of fraud orders have been issued against insurance concerns over a period of years, Mr. Delany is interested to know how the insurance industry feels about "fly-by-night" companies using the mails to sell, particularly, life, health and accident insurance.

Personally, he considers such schemes tend to bring the industry into disrepute. Pointing to the Securities Exchange Commission and its regulation of securities, Mr. Delany says that "whenever an element in a business or industry is bad over a long period, the whole field is apt to be regulated, ultimately." From that standpoint, he considers that legitimate insurance interests should be inclined to favor action against illegitimate elements in the industry.

Mr. Delany, besides being department solicitor, is also its representative in connection with legislation on Capitol Hill. In that connection, such measures as the Hobbs bill to deny use of the mails to fly-by-night insurance companies would come within the scope of his jurisdiction.

Attitude Towards Hobbs Bill

While legitimate insurance interests are opposed to illegitimate interests, the former have not supported the Hobbs bill because they feel there is ample authority in law for the Postoffice Department to deal with use of the mails to defraud, and therefore ask, why single out the insurance industry for attack in special legislation.

As to the rumor that he feels the Postoffice Department can go much further than it has gone, in action against fraudulent mail order insurance operations, Mr. Delany says that "there is no implication of any kind"; that he is simply attending to his job, part of which is to investigate charges of mail frauds and recommend issuance of fraud orders.

No Connection with Moratorium

Nor is there any implication, according to the solicitor, nor plan or connection between the department's policy with respect to insurance companies and fraud orders on the one hand, and the end of the insurance anti-trust law moratorium Jan. 1, 1948 and the possibility that the federal trade commission can deal with insurance frauds in commerce after that date, on the other hand.

Mr. Delany is only carrying on the legitimate functions of his office, he says, and legitimate insurance, or other interests, have nothing to fear from the department, so far as he knows.

St. Clair Joins D.L.B. Editorial Staff of National Underwriter

Harold E. St. Clair has joined THE NATIONAL UNDERWRITER Co. as a member of the Diamond Life Bulletins department editorial staff. He becomes associate editor.



H. E. St. Clair

Mr. St. Clair is a graduate of De Pauw University and has been in the insurance business since 1930, following banking experience of eight years. He joined Lincoln National Life in 1929 in the policyholders service department. In 1933 he was transferred to the mortgage loan department and the following year joined the O'Rourke agency in Ft. Wayne for Lincoln National.

In 1936 Mr. St. Clair joined Life Office Management Assn. in charge of the educational program of L.O.M.A. Institute for six years.

He joined Reliance Life in the home office in 1942 in the actuarial department, later becoming director of training. He is a C.L.U.

Doolin and Flanagan Have Broad Agency Background

Lawrence J. Doolin and John T. Flanagan, Jr., new associate manager and assistant manager of agencies for Fidelity Mutual Life, both have had wide experience in agency management.

Mr. Doolin entered the business in 1923, following graduation from the



L. J. Doolin



J. T. Flanagan, Jr.

University of Vermont. In 1929 he became chief consultant for Sales Research Bureau, joining Fidelity 10 years later as supervisor of agencies. In 1941 he became assistant manager of agencies. He is chairman of the national quality award sub-committee of L.I.A.M.A.

Mr. Flanagan started in the business in 1940, becoming manager for Fidelity Mutual at St. Paul in 1943. He went to the home office in 1945 as manager of sales promotion.

All Sold Out in Canada; Atlantic City Is Selected

Before selecting Haddon Hall, Atlantic City, for the annual meeting of National Assn. of Insurance Commissioners June 1-4, it is understood the committee investigated the facilities at Quebec, Montreal and Toronto but found the "sold out" sign wherever they looked in Canada. Allyn of Connecticut was chairman of the committee. The Haddon Hall choice has to be ratified by the executive committee but that will be a formality.

It is understood that the executive committee has pretty well decided to hold the 1947 winter meeting at New York, complimenting Dineen of New York, the president, and that the 1948 winter meeting is likely to be held at Miami. By that time, if all goes by the book, Larson of Florida will be N.A.I.C. president. He is now executive committee chairman.

What Happened to the Other Guy? Pamphlet Tells All

DENVER—Arthur P. Miller, head of the A. P. Miller Agency Co., here, has gone to great lengths to save himself the necessity of endless explanations of why his arm is in a sling and incidentally to get in an ingenious plug for A. & H. insurance. To solicitous friends he handed a four page pamphlet.

"Here's How It Happened" is what appears on page 1.

On page 2 appears a picture of Mr. Miller with arm in sling under which are the words "It Could Happen to You."

Page 3, under "Historical Data," reads:

Time: 12:30 p. m.
Date: Nov. 9, 1946.
Place: Middle of street, between 6th and 7th avenues on Race street.

Circumstances: Having been mired by snow storm my wife and I attempted walking to market to replenish larder. . . Feet suddenly went from under me and involuntarily throwing back my good right arm for protection, I sat on it.

Result: Compound fracture of right wrist.

Length of disability: Six weeks or more—pain, inconvenience—loss of time and money—incalculable.

Insured: Yes.
By: You guessed it . . . The A. P. Miller Agency Co.

And on page 4 under the caption "Our Super-Deluxe Accident Contract" there are set forth the particulars of an accident contract that costs \$65 a year for class A.

WEEKLY NEWS-CAST

SOME IMPORTANT CHANGES HAVE BEEN MADE IN OUR STUDY PLANS FOR VETERANS WHO QUALIFY UNDER PL 16 AND 346. TWO PROGRAMS ARE AVAILABLE.

(1) THE R & R SUPER-VISED LIFE INSURANCE STUDY PROGRAM: This program offers 41 assignments covering (a) "An introduction to Life Underwriting" and (b) "The Career Course in Life Underwriting." The program is designed particularly for the man new in the business.

(2) THE R & R TAX & BUSINESS INS. PROGRAM: This program is designed for the veteran who has had previous life underwriting experience and who is in line for study in the fields of Business Insurance and Estate Protection and Planning. The text is R & R's "Tax and Business Course."

THE PROGRAMS IN COMBINATION PROVIDE A TWO-YEAR PROJECT. WE WILL BE GLAD TO COOPERATE WITH YOU IN ANY INDIVIDUAL SITUATIONS IN WHICH EITHER OF THE PROGRAMS ARE IN ORDER.

PAUL SPEICHER
Managing Editor

THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

Significant Figures from 1946 Statements

	Total Assets	Increase in Assets	Surplus to Policyholders	New Bus. 1946	Ins. in Force Dec. 31, 1946	Increase in Ins. in Force	Prem. Income 1946	Total Income 1946	Benefits Paid 1946	Total Disbursements 1946
Amer. Mut. Life ..	35,476,235	1,128,127	2,199,527	14,728,226	108,411,300	9,075,984	2,871,736	4,692,046	2,196,608	3,639,438
Columbus Mut. L.	62,869,924	5,139,012	7,067,609	25,013,436	201,611,851	18,877,357	6,228,636	10,569,289	2,894,123	5,463,155
Dominion Life ..	72,745,050	3,949,015	2,844,073	48,470,911	305,747,628	33,701,737	8,903,742	13,229,813	4,422,622	7,849,355
Equitable Life, Ia.	325,824,841	22,911,630	14,732,359	120,693,297	834,591,241	90,110,821	27,609,089	45,785,668	13,702,099	25,948,957
Imperial L. Can.	137,775,725	9,242,070	7,425,093	60,951,845	405,925,565	41,802,460	14,822,165	23,410,402	7,610,338	13,740,185
London Life	247,214,337	20,955,005	20,903,854	197,819,010	1,231,101,444	148,041,885	32,570,108	49,304,929	16,295,669	28,847,455
Minn. Mut. Life ..	85,017,468	7,950,498	5,015,357	111,276,153	421,342,237	74,080,881	11,927,288	17,288,586	4,949,226	9,439,585
National Guardian	20,525,623	2,112,285	870,566	12,504,162	81,412,931	8,962,093	2,468,970	3,788,430	821,428	1,692,240
Ohio National Life	85,432,998	6,443,977	4,370,810	55,454,883	317,046,412	37,900,603	9,245,850	14,385,345	4,069,750	8,050,125
Phoenix Mutual L.	416,144,553	30,099,709	22,584,795	99,327,852	887,100,841	72,311,010	36,289,790	60,905,273	19,041,980	31,036,465
Provident L. N. D.	11,075,902	1,717,685	984,460	17,242,325	68,337,442	13,726,930	1,916,742	2,756,472	338,023	1,085,305
Security L. & Tr.	16,477,260	2,136,548	1,324,743	54,103,917	138,193,095	28,440,363	3,333,863	4,374,102	799,780	2,307,525
Stand. of Ore....	32,637,095	2,379,528	2,280,777	19,273,148	108,925,396	15,020,685	2,676,452	5,617,011	1,664,250	3,233,465
Union Natl. Life..	4,641,085	1,249,413	325,021	27,026,313	57,801,404	22,542,685	1,835,859	3,228,951	142,165	1,217,115
Washington Life..	735,412	53,675	198,980	11,600,238	113,512,600	1978,300	117,825	165,497	193,320	179,900

*Correction.
†Reinsured.

CONTINENTAL COMPANIES

General Offices: Chicago, Illinois

Continental Casualty Company

Financial Statement—December 31, 1946

ASSETS

Cash	\$10,922,576.22
*United States Government Obligations....	31,091,520.98
*Canadian Government Obligations.....	2,726,611.48
*Other Public Bonds.....	2,032,865.20
*Railroad Bonds	\$ 959,838.20
*Public Utility Bonds	714,151.56
Total Corporate Bonds.....	1,673,989.76
*Preferred Stocks	5,549,132.80
*Other Stocks	12,193,732.00
Mortgage Loans	142,750.47
Administrative Office Buildings.....	3,312,703.34
Premiums in Course of Collection.....	6,597,808.21
(Not over 90 days past due)	
Accrued Interest and Rents.....	235,590.21
Other Assets	353,307.03
Admitted Assets	\$76,832,587.70

LIABILITIES

Unearned Premium Reserve.....	\$19,162,824.17
Reserve for Claims.....	26,806,612.10
Miscellaneous Liabilities	4,824,957.81
Reserve for United States and Canadian	
Income Taxes	954,846.22
General Contingency Reserves.....	6,850,000.00
Capital	\$ 5,000,000.00
Surplus	13,233,347.40
Capital and Surplus.....	18,233,347.40
Total	\$76,832,587.70

*Eligible bonds amortized. Insurance stocks valued on basis of pro-rata share of capital and surplus. All other securities at quotations prescribed by National Association of Insurance Commissioners.

Net Premiums written during 1946.....	\$54,960,138.17
Increase over 1945.....	12,436,037.10

Continental Assurance Company

Financial Statement—December 31, 1946

ASSETS

Cash	\$ 2,499,277.80
*United States Government Obligations....	27,312,087.00
*Railroad Bonds	\$10,207,158.87
*Public Utility Bonds.....	14,662,631.76
*Miscellaneous Bonds	6,922,564.49
Total Corporate Bonds.....	31,792,355.12
*Preferred Stocks	5,413,383.59
*Other Stocks	2,056,087.49
Mortgage Loans	8,357,646.81
Policy Loans	3,240,765.31
Home Office Building	2,903,407.07
Elgin, Illinois, Housing Project.....	629,389.79
Net Deferred and Uncollected Premiums..	3,208,622.81
Accrued Interest and Rents and Other	
Admitted Assets	369,932.14
Admitted Assets	\$87,782,954.93

LIABILITIES

Statutory Policy Reserves.....	\$69,117,819.41
Pending Claim Reserve.....	2,336,492.61
Premiums Paid in Advance.....	3,623,441.96
Miscellaneous Liabilities	3,360,656.82
Group Contingency Reserve.....	1,000,000.00
General Contingency Reserve.....	1,500,000.00
Capital	\$2,000,000.00
Surplus	4,844,544.13
Capital and Surplus.....	6,844,544.13
Total	\$87,782,954.93

*Eligible bonds amortized. All other bonds at quotations prescribed by National Association of Insurance Commissioners. All stocks at lower of cost or such quotations.

Insurance in Force as of December	
31, 1946, ("Paid-for Basis").....	\$702,309,289
Increase over 1945	162,873,172

DIRECTORS

W. McCORMICK BLAIR
William Blair & Company
Vice President
WILLARD N. BOYDEN
Vice President
ROLLIN M. CLARK
First Vice President and Secretary
M. P. CORNELIUS
General Counsel
*W. G. CURTIS
President, National Casualty Company

EDISON DICK
Executive Vice President
A. B. Dick Company
*HARRY W. DINGMAN
Vice President and Medical Director
FRANK R. ELLIOTT
Director, Harris Trust and
Savings Bank
BOYD N. EVERETT
Vice President and Treasurer
CHARLES F. GLORE
Glore, Forgan & Co.

*NORMAN HOAG
Vice President
ARNOLD B. KELLER
Senior Consultant and Director,
International Harvester Company
*F. D. LAYTON
President, National Fire Insurance
Company of Hartford
T. ALBERT POTTER
President, Elgin National Watch
Company

*HOWARD C. REEDER
Vice President
*J. M. SMITH
Vice President
R. DOUGLAS STUART
President, The Quaker Oats Company
STUART J. TEMPLETON
Wilson & McIlvaine
ROY TUCHBREITER
President

*Continental Casualty Company only

*Continental Assurance Company only

The Continental Year Book discloses in greater detail the Companies' operations and financial structure. It will be furnished upon request.

Casualty Insurance

Fidelity and Surety Bonds

Life Insurance

CINCINNATI LEADERS FETED

Custard Pie Days Over for Agent, Claris Adams Asserts

CINCINNATI—Sharply criticising Treasury monetary policy because of the "ruinous" interest rates it occasions which is paid for by life insurance policyholders and others living on fixed incomes, Claris Adams, president of Ohio State Life, told Cincinnati agency leaders in lives and volume that the Treasury must refinance its short term debt by staggering maturities over a period of years and paying more interest.

Rigged interest rates, at a time when controls are being removed from all other items, cause the most severe problem the business faces today.

Mr. Adams said policyholders are the largest group with a community of interest in the U. S., and no private enterprise has ever before enjoyed such complete confidence of the public. Life insurance ranks as the fifth item in the family budget following food, shelter, clothing and transportation.

There is still a great job for the agent to do, however, because growth of the business has not kept pace with the increase in national income, which has jumped 2½ times in the past 10 years.

Many agents have told him that although they enjoyed their best year in

1946, they are still dissatisfied with their results, he stated. This year will be a good year, but not the "custard pie" situation which existed last year. There will be less tricky selling and more fundamental selling.

While there is every reason to be proud of life insurance management, it can't perform feats of magic, on which basis some agents have sold it. Life insurance went through war, depression, pestilence and inflation because management insisted on the margins of safety, he asserted. Life companies have been living on their mortality.

Few companies are able to invest new funds at 3% on the average and while present governmental policies persist, it is elemental that life insurance costs must go up. He urged agents not to sell life insurance as an investment and "don't let the dividend scale soar." It has got to be sold on security and pro-

tection. There is no longer the loading and interest margins the companies formerly had which enabled the business to build its marvelous record.

If present trends continue, Mr. Adams expressed fear that buyer resistance would arise because of high prices.

Mr. Adams was introduced by J. C. McFarland, Cincinnati general agent of Ohio State Life, who substituted for J. A. Lloyd, vice-president of Union Central, absent because of an illness in his family.

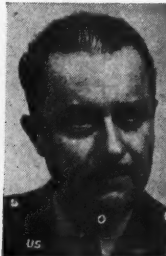
W. Thomas Craig, Aetna, welcomed the leaders of 33 companies and W. Henry Blohm, Provident Mutual, was toastmaster.

Name New L.A.A. Committee Heads

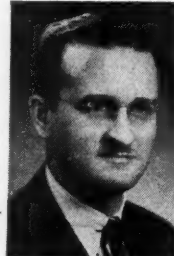
Chairmen and members of seven standing committees for Life Insurance Advertisers Assn. have been announced by the L.A.A. president, Powell Stamper, sales promotion manager National Life & Accident.

Committees and chairman are:

Membership—Clyde W. Ferguson,



C. C. Robinson



C. W. Ferguson

manager sales promotion, Union Central.

Standard Practices—L. B. Hendershot, director sales promotion and field service, Berkshire Life.

Cooperation with Institute of Life Insurance—Clifford B. Reeves, vice-president, Mutual Life.

Cooperation with L.I.A.M.A.—Earl R. Tringmar, administrative assistant, Metropolitan.

Educational research projects—Z. Starr Armstrong, director of education and public relations, Republic National Life.

Cooperation with N.A.L.U.—C. C. Robinson, executive assistant, Guardian Life.

Cooperation with L.O.M.A.—Henry M. Kennedy, manager advertising and publicity, Prudential.

Expect Investigation to Result in Anti "Club" Law

VICTORIA, B. C.—Indications are that legislation implementing findings of two royal commissions appointed to investigate insurance clubs operating in British Columbia will be introduced at the next session of the legislature.

Health and accident clubs are operating in the province and doing a public service, according to J. A. Grimmett, head of one commission, but, he said, there is no denying they are doing a straight insurance business and should come under the jurisdiction of the insurance act and laws.

A. J. Cowan, head of the second commission, said there should be strict government controls over British Columbia societies paying death benefits from assessments on members.

He investigated 13 associations and pointed out that the organizations usually started with a "bit of a spurt" and initial memberships were heavy. After a while, he said, membership leveled off and remained constant for a time, then would begin a downward trend which meant that benefits were lessened or assessments decreased. He concluded that the assessment plan of life insurance is unsound.

Barrett, Thomson, Ray, Lawrence Go Up in Metropolitan

NEW YORK—Metropolitan Life has made four important promotions. William J. Barrett, assistant vice-president in charge of the policyholders bureau, group director, becomes third vice president. Reginald R. Lawrence, superintendent of agencies, becomes this vice-president. John S. Ray, a district manager in New York City, becomes assistant vice-president and will have over-all duties in connection with the field management division, particularly with reference to field training. Dr. Karl J. Thomson, who has been in the medical division, becomes an assistant medical director.

Mr. Barrett, a Bostonian, received his B.S. degree from M.I.T. in 1911, his M.A. from Wharton school of University of Pennsylvania, and took special courses at Harvard business school. He joined Metropolitan in 1923, became manager of the policyholders service bureau in 1933, assistant secretary in 1943 and assistant vice-president in 1944. Under his supervision the bureau made many important contributions to management in business and industry. Before and during the last war he served the government, having been appointed to the industrial advisory board of the NRA and in 1938 having assisted in organizing the war resources board. During the war he continued his service in various governmental agencies in an advisory capacity.

Mr. Lawrence joined Metropolitan in 1915 as an agent in Tarrytown, N. Y. He was promoted to assistant manager two years later. He served there and in Cohoes, N. Y. until 1920, when he was promoted to manager there and in New Rochelle and Buffalo until 1928 when he was made superintendent of agencies. In that capacity he has been in charge of southern, Keystone (Pennsylvania) and metropolitan New York territories.

Manager Must Sell—to Agents, P. B. Hobbs Asserts

LOS ANGELES—Addressing the Life Insurance Managers Assn. of Los Angeles on "The Manager Must Sell," Philip B. Hobbs, N.A.L.U. president, said the manager must do a daily job of selling the agents the gospel of life insurance, must have a training program, must have a plan for stimulation of agents, and must keep in contact with his men. The manager must know the gain in matured agents due to the training program; he must sell his own conviction of life insurance to the agents as well as the American agency system. He declared that no government agency gives the service to the public that the life insurance agent gives. No government agency segregates funds for the purpose for which they are deposited, this being in contrast to life insurance.

There is danger, he said, that the manager may not train his agents long enough. The agents should have a minimum of 24 months training. Retraining of agents is equally as important as initial training, he said. The public no longer will take the sloppy presentation of life insurance.

Tribute was paid to W. K. Murphy, retired general agent of Northwestern Mutual Life, by W. L. Murrell, Mutual Benefit Life, and R. L. Hoghe, Equitable of Iowa, and he was made an honorary life member of the association.

Roy Ray Roberts, State Mutual, reported on life insurance education in the schools.

Vernet "Ad" Director

Russell V. Vernet has been promoted to director of advertising of Mutual Life. He has been advertising assistant



WELCOME IS A FRAGILE THING

A good salesman is very much like a good playwright. He knows just how long the performance (or interview) should be, and brings down the final curtain at the moment of maximum effect—long before the audience begins to fidget in its seats.

You have heard much said about the necessity to capture and keep the initiative in an interview. This tenet is as true as it ever was, but should carry with it a word of caution. Never forget, as you seize the offensive and exploit it, that the word has two meanings, and if you permit it to lapse from the noun to the adjective by overstaying your welcome, you will not make a sale.

Remember that it is much better to leave with your prospect's good will . . . with the possibility of coming back later for his signature on the application, than to prolong the interview against his inclination until he finally hears you out . . . and then shows you out—with finality.

Insurance in Force, December 31, 1946 — \$308,677,731

COMMONWEALTH

LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President

Show Sales Records by States in '46

Nevada showed the greatest rate of increase in ordinary life sales in December, with South Dakota second and North Dakota third, it is reported by L.I.A.M.A. Countrywide, ordinary business increased 27% in December, while Nevada sales gained 109%, South Dakota 94% and North Dakota 72%.

For the entire year 1946, with national ordinary sales up 55% New Hampshire led with an increase of 70%, with Oregon second, up 67%.

Among the large cities, Detroit showed the greatest rate of increase for December, with a gain of 39%. Los Angeles was second with a gain of 25%. Detroit also led for the 12 months with a gain of 65%. The figures for the leading cities are:

Boston up 9% in December and 47% for the year; Chicago, 17% and 50%; Cleveland, 23% and 56%; Detroit, 39% and 65%; Los Angeles, 25% and 50%; New York, 12% and 41%; Philadelphia, 4% and 58%; St. Louis, 9% and 47%.

Ordinary sales by states for the 12 months are estimated at:

	Sales Volume (000 Omitted)	Inc. over 1945
Alabama	130,991	49
Arizona	50,377	49
Arkansas	86,894	55
California	1,143,222	51
Colorado	159,763	62
Connecticut	248,300	50
Delaware	39,608	52
Dist. of Col.	132,909	61
Florida	230,316	53
Georgia	242,072	58
Idaho	48,234	61
Illinois	1,069,747	52
Indiana	411,369	63
Iowa	269,151	53
Kansas	208,925	57
Kentucky	179,391	61
Louisiana	150,879	46
Maine	75,461	55
Maryland	239,740	58
Massachusetts	550,141	54
Michigan	615,138	61
Minnesota	294,323	59
Mississippi	85,334	62
Missouri	390,669	49
Montana	53,158	59
Nebraska	162,640	45
Nevada	16,014	64
New Hampshire	58,619	70
New Jersey	626,457	56
New Mexico	40,224	54
New York	2,049,403	47
North Carolina	275,887	63
North Dakota	54,627	39
Ohio	900,800	58
Oklahoma	179,207	54
Oregon	152,054	67
Pennsylvania	1,141,565	56
Rhode Island	88,638	44
South Carolina	105,814	59
South Dakota	57,833	53
Tennessee	202,005	58
Texas	774,402	66
Utah	84,970	49
Vermont	38,343	56
Virginia	255,031	64
Washington	253,554	50
West Virginia	125,571	50
Wisconsin	318,948	45
Wyoming	23,539	49
U. S. total	15,092,307	55

Klug Describes Methods for Cincinnati Managers

CINCINNATI—The major functions of a general agent are to get production, build a successful organization and make money in the process, Anthony J. Klug, general agent John Hancock, Rochester, N. Y., told the Cincinnati Associated Life General Agents & Managers. Training is only one phase of the problem of building successful men. The trouble in the past has been that the manager taught the art of selling, but didn't teach the job of selling. There has been too much "flag waving" in the business. Mr. Klug said he would not give out \$100,000 production certificates in his agency because men can starve on a production like that, so they went into the wastebasket. The new men in Mr. Klug's agency

must learn a prospecting talk. He points out that a child to become proficient in his multiplication tables must say them over and over again until they become fixed in his mind.

When the agent starts out, he learns to sell the \$1 a week savings plan endowment at 65 because this has been found easiest to sell. He is taught how to switch the \$1 a week proposal over to a proposal for \$5,000. He must ask the prospect to buy five times.

There are no telephone or postage charges in the Klug agency. Commissions are paid on the dot. The agent is

helped in closing difficult cases and there is no commission splitting. All leads go to the agent. Change of age cards are made for all policyholders. No interest is charged if the agent is financed.

If he thinks a magazine is helpful, he buys it for all of his men. He makes the educational services available to them. He makes up proposal briefs and programs for the agents and they are furnished with secretarial service.

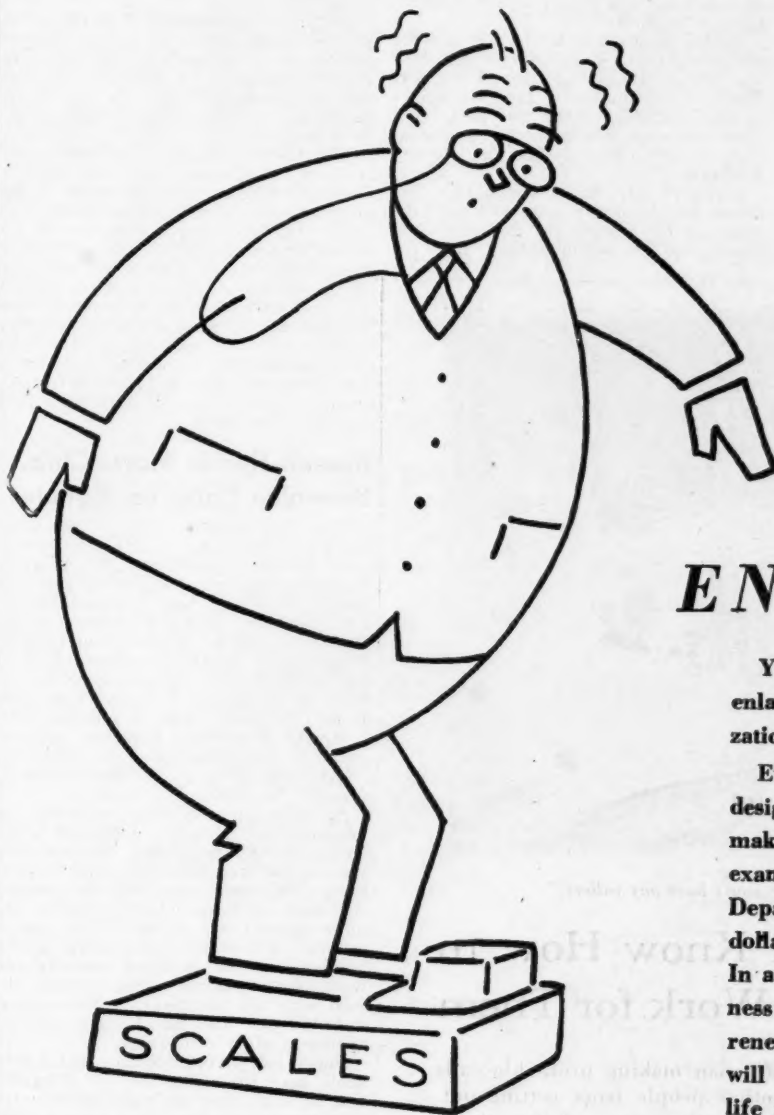
Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Tuttle Lincoln National Ace

M. Glenn Tuttle, Miami general agent for Lincoln National Life, ranked first among all agents of the company in personal paid business for 1946.

Correct Premium \$10

A story in the Jan. 3 edition of THE NATIONAL UNDERWRITER, "Rates on the New Prudential Annuity," quotes the minimum monthly premium on Prudential new retirement annuity as \$100. This is incorrect—the premium should be \$10.



ENLARGING!

You will always find Bankers National enlarging—whether it is field organization or service to it.

Every new policy or sales help is designed solely to help our field men make more money consistently. For example, our new Accident and Health Department has added hundreds of dollars to the earnings of our field men. In addition, if a slump in the life business comes, their every year pyramiding renewal commissions on this business will offset a good part of their loss of life insurance commissions.

Grow with a growing company

Bankers

Ralph R. Lounsbury, President
W. J. Sieger, V. P. & Supt. of Agencies

NATIONAL LIFE
Insurance Company.. Montclair, N.J.

Asks IRB to Reconsider Rule on Taxing Instalment Cash Value Payments

Milton Elrod, Jr., Indianapolis attorney specializing in estate work, has requested the bureau of internal revenue to reconsider its ruling of Dec. 7, 1945, to the effect that when a policy is surrendered prior to maturity and the cash value is to be paid out in installments the cash surrender value is to be treated as the "cost of the contract."

Mr. Elrod feels that this ruling may have considerable repercussions in the life insurance field, inasmuch as it could apply to numerous situations involving the surrender of policies where cash values exceed net premiums. For instance such a situation could exist in connection with single premium policies when the insured later wants to use the cash values on a retirement annuity basis, or with respect to paidup policies, especially where dividends have been accumulating for some time. The ruling, he feels, might even apply to the usual retirement income policy if the insured undertakes to take advantage of the possibility of retiring at an earlier age

than that stipulated in the policy.

The question involved in the ruling was whether the basis for applying the 3% rule in taxing the assured on the annuity income received is the net premiums paid or the cash value of the policy at the time of surrender.

The answer of the bureau in PS 55 was that this policy did not mature as an annuity but was canceled and that its cash surrender value would be considered constructively received on the date of surrender and the amount thereof reinvested in an annuity.

In the first place Mr. Elrod insisted that the settlement involved in this case was not an annuity settlement but was simply a distribution of the cash values in fixed installments for 20 years. Mr. Elrod says the tax court has held that such a distribution is not an "annuity settlement."

However, Mr. Elrod stated that this is not an important issue and for purposes of his subsequent argument Mr. Elrod said he would assume that the

bureau was correct in applying the annuity rule to the taxation of payments made under a fixed installment.

The question of "constructive receipt" he said, is what is of vital significance.

If that doctrine is applied then the insured will pay income tax on any excess of cash surrender values over premiums paid (in the year of surrender) and at the same time would be required to pay tax on the installments received under the annuity rule.

In many situations cash values at the time of surrender would exceed the net premiums paid (after considering dividends) and result in a gain which would be taxable income to the insured in the year of surrender (as ordinary income) if the doctrine of "constructive receipt" is applied.

Mr. Elrod contended that there has been a definite tendency on the part of the bureau not to apply the "constructive receipt" doctrine to similar situations where the insured converts the values in his policy to an annuity or installment settlement.

The insured has not "constructively received" anything and has merely elected to take accumulated values under an annuity or installment settlement option. He has stopped "paying in" on his policy and started to "take out." This is exactly what he does at the maturity of an endowment policy and the bureau has held that when an endowment matures as an endowment the insured can elect to have the proceeds paid to him under an annuity settlement option and that there has been no "constructive receipt" of the excess of maturity values over premium costs.

Russell Heads Mgrs. Club, Brownlee Talks on Agents

The San Antonio, Tex., Life Managers Club elected L. C. Russell, American National, president; Al Warner, Franklin Life, vice president, and Leland E. McCluer, New England Mutual Life, secretary. Elected directors were: William C. Abbey, Connecticut General Life; Walter S. Dale, Bankers Life of Ia.; Jesse N. Fletcher, Great Southern Life; Bert Perry, Reliance Life; and Robert L. Peck, Texas Prudential Life. Morris Brownlee, Houston, general agent of State Mutual Life, spoke on "Recruiting, Training and Motivation of Agents."

Selection, getting and training, he presented as the chief personnel problems, stating that during the past few years some men have succeeded beyond their ability and expressing the thought that some of those when conditions are more difficult will go out of life underwriting. The means of securing agents, he listed as the personal contacts and work of the general agent, through the men who are members of the agency, and through the agents and general agents of other companies.

Supervisory work requires that a man shall have the philosophy of a career, that he shall have the right mental attitude toward his work and take a pride in the service which he is rendering, know how to present his case, know what to do, and that he have confidence in his leadership, Mr. Brownlee said.

He closed with the thought that the manager and supervisor must prefer his work to that of any other, that he must have the courage which comes with faith in his work, and must be willing to contribute to the prestige of his work through an intelligent mastery of the problems presented and by his conduct with those both in the life insurance work and in other business fields.

A.L.C.-L.I.A. Joint Committees Named



James E. Hoskins



John S. Sinclair

Appointments to 1947 joint committees of American Life Convention and Life Insurance Assn. of America have been completed. The chairmen are Aviation, James E. Hoskins, Travelers; blanks, John S. Thompson, Mutual Benefit; investment research, John S. Sinclair, New York Life; legislative, James A. McLain, Guardian Life; monetary affairs, George L. Harrison, New York Life; National Service Life Insurance, Alexander E. Patterson, Mutual Life; premium taxation, Ronald G. Stagg, Northwestern National; social security, M. Albert Linton, Provident Mutual; valuation of assets, F. W. Hubbell, Equitable Life of Iowa; war settlements, Valentine Howell, Prudential; withholding and information at source, John J. Magovern, Mutual Benefit.

Many Department Bills Are Introduced in N. Y.

Among the departmental bills introduced in the New York legislature is one requiring a domestic life company wishing to reinsure its A. & H. business to obtain departmental approval, as is now the case for life reinsurance.

Another would broaden the department's power over A. & H. policies so that if benefits were unreasonable in comparison with premiums or if there were provisions which encouraged misrepresentation the superintendent could withdraw approval.

Other bills would permit a minor age 18 to receive and give discharge for a lump sum life insurance benefit up to \$2,000; enact the N.A.I.C. standard group life policy provisions, reduce the minimum number of employees from 25 to 20 for eligibility for group life and \$20,000 as the maximum policy on an individual life, define employee to include individual proprietors and partners, and make various minor changes; provide that if a fraternal's by-laws provide for expulsion of a member he may retain life insurance by paying required premiums include annuities in the provision giving the superintendent power to suspend the limitation on amount of new business life companies can write.

A non-departmental bill would increase from \$3,000 to \$5,000 the maximum amount per life that could be written under savings bank life insurance.

Stephens Brokerage Manager

Charles Stephens has been appointed brokerage manager of the Dallas office of Prudential with James G. Hill, agent manager. He has been associated with the company since his graduation from Southern Methodist University except for three years in the army air forces.



"Well, this is one day we won't have any callers!"

Bankerslifemen Know How to Make Weather Work for Them

You will find many a Bankerslifeman making profitable calls on days when weather keeps other people from getting out. It is their way of putting the weather to work for them. From the time they join the company they are taught how to make ideas and elements work for them.

Training of a Bankerslifeman starts in his own agency where he has successful selling methods demonstrated to him in the field. At the same time he is being taught all phases of the insurance business by introducing him into a three-year course of formal instruction. This is conducted under highly trained and successful home office administrators . . . and applied in the field.

The training and experience are reflected in good use of selling time and help make Bankerslifemen the sort of insurance underwriters you like to meet as friends, fellow workers or competitors.

BANKERS Life COMPANY
DES. MOINES

Show Insurance Results for 1946

	New Bus. 1946	New Bus. 1945	1946 Inc. In Force	1945 Inc. In Force
Dominion Life	\$ 48,470,911	\$35,724,320	\$33,701,737	\$28,634,133
Minnesota Mutual Life	111,276,153	71,901,006	74,080,881	40,562,371
Northern Life, Wash.	37,354,961	29,410,949	27,088,228	14,173,764
Ohio National Life	55,454,883	32,963,144	37,900,603	20,065,531
Pan-American Life	51,188,392	39,907,551	33,284,892	24,572,675
Phoenix Mutual Life	96,254,759	52,319,931	72,311,010	31,542,315
Southland Life	29,927,384	19,994,393	19,735,168	12,822,550

aExcluding group additions and increases.

bIncluding group increase of \$4,890,450.

Gravengaard Talks on Company Training Programs

"The next few years will witness an amazing upsurge of interest in company training programs," H. P. Gravengaard, editor "D. L. B. Agents Service" of THE NATIONAL UNDERWRITER declared in addressing the American Assn. of University Teachers of Insurance at Philadelphia.

He stated that competition for future markets will be the initial dominating stimulant for a major advance in the field of education and training but there will gradually emerge a new appreciation of the fact that there are more important considerations than mere production for production's sake.

He said it is a challenge to top company management of life insurers for a more realistic appraisal of the value and importance of the educational and training program. He emphasized that it is such a program that makes the sales force what it is.

Trusteeship in Highest Sense

Mr. Gravengaard maintained that the institution of life insurance is a trusteeship in the very highest sense of the word and its nature implies the highest order of unselfish service. As a service business, he said it will remain the finest product of the American system of free enterprise and those in this field, if imbued with the realization of the purpose of life insurance, will attain a new measure of public confidence and esteem.

Speaking on "Life Insurance Company Sales Training Program," he outlined the origin and early history of sales training, the present status, and discernible trends.

Development of Programs

During the 1920's, some of the companies having training courses extended their programs to include secondary and advanced courses, he stated. The big gain has been made in the intermediate and advanced programs, which lead progressively to the more pronounced institutional program of study for the C.L.U. designation. He gave great credit to facilities provided by the Diamond Life Bulletins and Insurance Research & Review Service for making these gains possible.

He reviewed the content and handling of the elementary, intermediate and advanced courses. He said most companies use a correspondence course under the cooperative supervision of the home office and local manager.

Importance of Manager

Mr. Gravengaard declared the manager is destined to play an increasingly important part in the training program. There are three schools of thought in the administration of training programs but the one in ascendancy at the moment is one that has a coordinated program of cooperative effort between the home office and the manager, recognizing the merits of an educational program which is controlled and supervised by a home office staff of experts operating through the manager—the vital key man in the entire process. The main emphasis, however, is placed on training, which can only be done by the manager or assistant manager through personal conference and work with the agent.

He feels that there is a definite trend toward the program method of selling and that training experts are more and more of the opinion that this method—that of analyzing the prospect's need and his ability to save—as a basis for his insurance program is the only intelligent way of selling life insurance.

"They recognize the growing demand by the buying public for the professional type of service, which includes coordination of life insurance with social security," he said. "It is now recognized that simple programming is not complicated, and should be the basis of the entire educational and training program,

from the very beginning; not only because of the service angle with its resultant public good will, but also because of the definite beneficial effects to the agent, promoting his self-respect, developing morale and greater ease in prospecting and in the interview, increasing his average size policy, and providing the persistency of his business."

E. A. Sleith Promoted

Eric A. Sleith, agency secretary for the industrial department of Commonwealth Life, has been advanced to assistant director of agencies. He joined Commonwealth 10 years ago at Louisville as an agent. In 1938, he was made assistant manager. He was then named field supervisor and held this position until he enlisted in the army air corps.



E. A. Sleith

Upon his release in 1944 Mr. Sleith rejoined the company, was later appointed agency secretary and is now advanced again to a higher position.

Books, Movie, Ads, Dinners, Contest Centennial Features

Some of the plans of Penn Mutual for the 1947 centennial celebration are announced by John A. Stevenson, president.

A moving picture on Penn Mutual history is being completed at Hollywood by a commercial film producer. This is to be shown at meetings of policyowners in 85 cities between March 15 and May 15, with company officers present.

A skilled magazine writer has just completed a history of the company, dramatizing the people of Penn Mutual and coordinating their record with the color of national history. It will be liberally illustrated.

Gets Out Book on Wm. Penn

Penn Mutual has sponsored publication of a book on William Penn by William Wistar Comfort, president emeritus of Haverford College.

In newspapers in 85 cities a birthday notice will be published May 25 and there will be a centennial advertisement

in four colors in two national magazines.

On May 26 there will be a centennial dinner attended by the entire home office staff. Dinners also will be held in 85 cities and the addresses at Philadelphia will be heard.

In June there is to be a centennial conference at Philadelphia, attended by qualified agents. A contest is in operation during the first 100 days of the year.

New Elizabeth Manager

T. Barr Stevenson, assistant district manager for Prudential at Toms River, N. J., has been promoted to manager of Elizabeth No. 1. He is a past vice-president and past secretary of New Jersey State Assn. of Life Underwriters and past president of Monmouth Assn. of Life Underwriters.

Moore Named Comptroller

T. T. Moore, chief examiner of the Virginia department since 1935 and with that department since 1932, has been elected controller of Shenandoah Life. He is a graduate of Washington & Lee and Columbia and worked with the N. A. I. C. committee on standard non-forfeiture and valuation laws.

ADVERTISING OPENS



Doors

● And our magazine advertising, with the large human interest illustrations, copy that appeals to the emotions and the Prudential's well-known—"The Future Belongs to Those Who Prepare for It" does, too!

It tells the Prudential story to the more than 20 million American and Canadian readers of Time, Life, Saturday Evening Post, Look, Parents, Better Homes and Gardens, MacLeans, Chatelaine, La Revue Moderne and other magazines.

And these readers remember the suggestion that they consult their local representative . . . they want to hear more about the plans of individual security Prudential representatives and brokers have to to offer.

THE PRUDENTIAL
A MUTUAL LIFE INSURANCE COMPANY



INSURANCE COMPANY OF AMERICA
HOME OFFICE . . . NEWARK, N. J.

Van Schaick Lauds Housing as Investment Outlet

George S. Van Schaick, vice-president of New York Life and former New York insurance superintendent, in addressing the session on new outlets for life insurance investment at the meeting of American Assn. of University Teachers of Insurance, said emphatically he believes low cost housing, properly supervised, is one of the finest investments an insurance company can make and at the same time it fills an outstanding public need.

He said that the old laws restricting life insurance investments served a useful purpose and many times during the depression he wished there had been similar restrictions on fire and casualty companies. Nevertheless, he said, investment markets have gotten to the point where life companies must broaden their investment outlets and he quoted L. H. Pink, his successor in the New York department, as stressing this in his request to the legislature for authority for companies to make housing investments.

Low-cost housing projects, Mr. Van Schaick said, is entirely different from ordinary real estate investment. The public needs it badly and the size of these projects is an effective protection against blight for a long period. The history of the first big project shows it has been a sound investment.

History of Projects

After the first war, Mr. Van Schaick said, the press of housing demands led the New York legislature to authorize life company investment in housing for a very short period, with a 10 year tax exemption, subject to a maximum rental restriction. Metropolitan was the only company to take advantage of this provision, building its Sunnyside project. It was highly successful and the expiration of the tax moratorium in 1934 did not impair its continued success.

Mr. Van Schaick discussed at some length the arguments of Superintendent Pink for the law eventually adopted in New York to permit life companies to

invest in low-cost housing and redevelopment projects, up to 10% of their assets. This law, he said, has been twice liberalized in New York and similar legislation has been adopted in about 20 states. He described Metropolitan's great project at Parkchester, another outstanding success, and current projects of that company, Equitable Society, John Hancock and New York Life. Housing, he said, is the country's greatest social and human problem, and life insurance companies, through their projects, have not only made wise investments, but have aided materially in raising standards of construction, planning and living.

Comment on Talks

Prof. Rowlands, who is a member of the real estate faculty of University of Pennsylvania, was primarily concerned with Mr. Van Schaick's talk. He said that the machinery now being set up by local and state governments for redevelopment of blighted areas should greatly enlarge this investment field. There is, he said, an element of social cost as well as social gain in many of these projects where they are uncontrolled—particularly where the government is compelled to install costly services, such as schools, busses, police and fire protection. These expenses, he said, should be considered in evaluating these projects.

Pointing out that the original New York tax exemption period for slum clearance projects was 10 years, raised to 20 in 1941 and to 25 in 1943, Professor Rowlands said that we do not yet know what period is necessary to attract insurance company capital. Also, he said, the amount of control exercised by the government is important to the insurance company, and yet the laws of the states vary sharply on this.

Urban Real Estate Dynamic

Professor Rowlands also said that the theory that a large unit is protection against blight may be open to question, particularly where they are based on future population estimates. Urban real estate is dynamic, he said, and the mere size of a development is no guarantee against the competition of other properties and almost irresistible population shifts. In an investment of this type, he said, social policies cannot be separated from other considerations—the prominence of racial and similar questions in New York discussions shows that uncertain factors will be in all future considerations.

Mr. Van Schaick, in answer to a question, said that he had not stressed slum clearance because the great problem in New York is to find other living quarters for people who are dispossessed by the projects. That question is so difficult, he said, that there is no immediate answer.

Views of H. N. Chapin

H. N. Chapin, 2nd vice-president of Massachusetts Mutual, said that he is strongly in favor of private lending and that the federal securities act was the strongest factor in promoting this practice. The worst possible danger, in his opinion, is the future marketability of such investments. Should an insurance company, for example, wish for any reason to dispose of paper privately acquired, no other insurance company is likely to buy it, on the theory that there must be something wrong with it. He said that he thinks there is a splendid and legitimate field for private lending in smaller cases, where the cost of registering under the securities act would be prohibitive, but he is afraid some of the very large deals may eventually backfire. W. W. Bodine, Penn Mutual, agreed that he does not think it good public policy for a single large insurance company to take over a large issue. Securities dealers have a legitimate place, he said, and insurance companies should not try to by-pass them.

Prof. G. W. Hoffman, University of

R. I. Commissioner Leaves for Fire Company Post

J. Austin Carroll, who has served as insurance commissioner of Rhode Island since 1942, has resigned to become an executive of Providence Washington.

Mr. Carroll has been an important factor in the councils of the National Assn. of Insurance Commissioners, having served on the executive committee as well as the workmen's compensation, fire and marine and interpretation and complaint committees. He was prominently identified with the revision of the Rhode Island laws, particularly in connection with agents' qualifications and licensing.

He was born at Providence in 1906, graduated at Providence college in 1928. He was connected with National Bureau of Casualty & Surety Underwriters from 1929 until 1936 and then for five years was with Marsh & McLennan. He served a year with Manufacturers Casualty before going to the state house.

Sets Up Minn. Committee to Work with Doctors on Medical Care Plans

As a result of a conference in Minneapolis between a committee of the Minnesota Medical Society and insurance interests, an insurance industry committee was set up to cooperate with the doctors in working out plans for a pre-paid medical care program to be written by insurance companies. Don Hawkins, St. Paul-Mercury Indemnity, is chairman, the other members so far chosen being H. P. Skoglund, North American Life & Casualty; Norman Nelson of the Travelers group department at Minneapolis, and George Hipp, Employers Mutual of Wausau, representing different types of carriers interested in that field. A fifth member, representing specializing accident and health companies, is to be selected by the four already named.

At the request of the doctors' committee, Harold R. Gordon, managing director Health & Accident Underwriters Conference, attended and spoke on plans so far developed for insurance company participation in such plans. He recommended the setting up of minimum standards, to be approved by the medical society, and allowing the carriers to work out their own coverage from that point.

Prudential Promotes Pair to District Manager

Emanuel M. Belkin has been promoted to district manager of the Brooklyn No. 9 office of Prudential. Mr. Belkin has been for four years assistant manager of Newark No. 3 office.

A resident of East Orange, N. J., Mr. Belkin is a graduate of St. John's College. Prior to joining Prudential in 1934, at Newark, he was manager of an insurance brokerage agency. He is a past president of the Newark chapter of C.L.U. and vice-president of the Prudential chapter.

Pennsylvania, predicted that within 10 years the debate will not be over whether life companies should invest in common stocks, but whether the 10% limit should be raised to 25% or 35%. A big danger, he said, is the possibility of companies being accused of controlling industry. To meet fluctuations in value, he urged a definite program of investment, to be followed each year regardless of the market. If an equal dollar amount is used each year, costs are averaged and a larger number of shares are bought in a lower market and vice versa. This, he said, is the only way to avoid criticism and the temptation to make wrong guesses in the market.

A New Idea In Life Insurance with a New Plan for Selling

Complete coverage in one package. Pays any kind of death except suicide first two years. Pays from first day for illness, accident. Includes surgical and hospitalization fees at a new low combined rate.

* * * * *

Tested plan of creating leads.

* * * * *

As little as three, one thousand complete coverage apps a week creates over a thousand dollars renewal the second year. In five to ten years you should build remarkable renewal income.

* * * * *

Training in field affords an alert man an enlarged opportunity. Experience in insurance, while helpful, not necessary. Correspondence confidential.

Hugh D. Hart

Vice President and Director of Agencies

ILLINOIS BANKERS LIFE ASSURANCE COMPANY

MONMOUTH, ILLINOIS

Proposed N. Y. Ruling On Financed Autos Covers A & H and Life Policies

Superintendent Dineen of New York has prepared new regulations covering insurance on financed automobiles. The ruling, as proposed, provides that if the purchaser of a financed automobile pays a premium for accident and health insurance, he shall be provided with a policy, a copy of which is on file with the department at the rate filed with the department.

If the purchaser contributes toward the cost of life insurance, a statement of insurance must be issued to him within a reasonable period after the insurance becomes effective, and containing the name of the assured, policy number, type of policy, amount of premium and a statement that the amount of insurance paid shall be applied by the creditor toward the discharge of indebtedness of the debtor, together with a brief description of the coverage.

Michigan Attorney General Rules on Burial Contracts

LANSING, MICH. — Michigan cooperative or assessment plan insurers issuing burial benefit contracts may provide a "described funeral service" in lieu of cash, may agree to pay a stated amount instead of the funeral service, at the beneficiary's option, and may issue a policy specifying cash surrender values upon lapse of a policy, according to a current opinion of the Michigan attorney general's department.

The opinion warns that, in providing a contract for a described funeral service, rather than a cash benefit, there must be no limitation relative to choice of an undertaker. "If the contract designates an official undertaker without giving the member a right to designate one of his own choice," the opinion states, "it would be void as against public policy and in restraint of trade."

Several authorities on insurance law were cited for construing the Michigan law covering cooperative or assessment plan insurers to permit a specific funeral service or a choice of cash up to limitations set forth in the statute, the most liberal of which is a \$500 benefit.

No More Tax Evasion but Field for Tax Avoidance

HARTFORD—Insurance has been widely used in the past as a means of tax evasion, but most of the schemes that have been used have been "knocked out" in the courts, Francis P. McGuire, Connecticut general attorney, told an audience of more than 250 persons at a symposium on federal taxation.

"There are opportunities for tax avoidance through life insurance policies," he observed, "but there are no longer opportunities for tax evasion through insurance policies."

Pointing out various means by which legal tax avoidance may be accomplished, Mr. McGuire warned that gifts and assignments of insurance contracts should not be made "under contemplation of death," because when they are made under such circumstances the person to whom they have been assigned or given is liable to taxation.

Others taking part were Frank W. Kraemer, collector of internal revenue for Connecticut, and Walter H. Schulman of New York, former assistant U. S. attorney.

Set App-a-Week Records

New England Mutual's leading App-a-Week Club member, Wilbur L. Matheny of the Parkersburg, W. Va., agency, has submitted at least one application every week for 14 years. He started his record, which now stands at 45 consecutive weeks, his first week with the company in 1932. In this continuing company contest, John M. Salla-

day of the Cincinnati agency is a close second with 732 consecutive weeks to his credit. Twelve members of the club have produced at least one application a week for 10 years and seven others have been on the list for more than five years.

R. C. Budlong New Editor of Two Insurance Papers

ST. LOUIS—Richard C. Budlong, managing editor "The Local Agent" and "Life Insurance Selling" of the Donald H. Clark group of business publications has been promoted to editor of both magazines, succeeding Harold R. Colbert, who is advanced to assistant publisher.

Discard Ia. Equalization

DES MOINES—A bill to reduce the state premium taxes on domestic companies from 2 to 1% and increase foreign companies to 2½% has been filed by a group of senators. A tax equalization bill was enacted in 1945 prior to the U. S. Supreme Court decision in Prudential vs. Benjamin.

If prospecting is your problem, get *Doorways to Prospects*, \$2.00 from THE NATIONAL UNDERWRITER.

Indiana Farm Insurers Boost Employees' Salaries

Farm Mutual, Hoosier Farm Bureau Life and Farm Bureau Fire & Tornado, affiliated with the Indiana Farm Bureau, are boosting employees' salaries with a "cost of living adjustment" based on indexes of the U. S. Department of Labor.

The plan calls for the payment of 75 cents a point a month for the difference between the current index and that for mid-July last year. The latest index for mid-November was 152 compared with the mid-July of 133, a difference of 19 points or \$14.25, the monthly plus adjustment paid employees for the first quarter of 1947.

Each three-month period will be adjusted accordingly on the same plan. Whenever the index falls below 133, deductions will be made from base salaries until it reaches 115 which will be considered the floor.

Joins Laikin in Law Firm

Harold C. Wilkenfeld, special assistant to the Attorney General of the United States with the tax division of the Department of Justice, has joined

George J. Laikin in the private practice of law as counsel on taxes in Chicago and Milwaukee.

Mr. Wilkenfeld is a graduate of George town University law school.

Jack Knight Wins Plaque

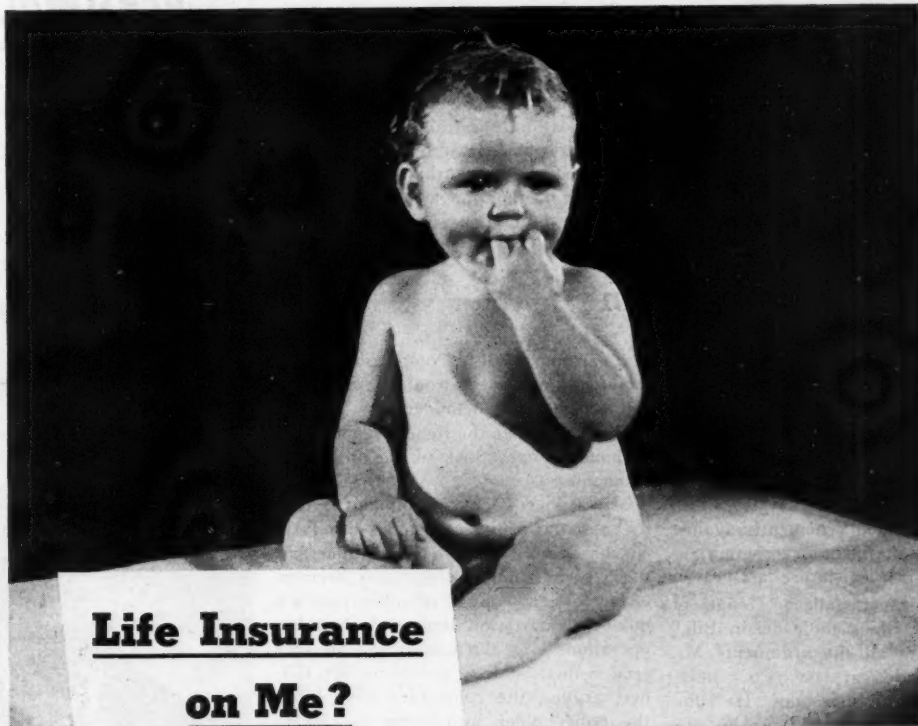
Jack Knight, Florida manager of Union Central, won the Jerome Clark award for outstanding achievement in agency development in 1946. Paul Hommeyer, Minnesota, won second.

The award is presented to the agency which shows the most marked progress. Presentation will be made at the convention of Union Central's production clubs at Boca Raton, Fla., in April.

Discuss "Experience" Definition

HARRISBURG—Representatives of the various branches of insurance met with officials of the Pennsylvania department here for a discussion of the pending definition of "experience in underwriting," which the department must draw up before it can again issue agents' licenses under a recent ruling of the Dauphin county court.

It was agreed that the representatives would make recommendations to the department within 30 days.



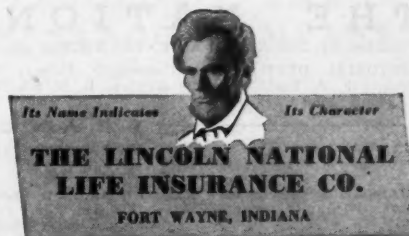
Life Insurance on Me?

Yes, young man, daddy has started early your financial career through a Lincoln National Juvenile policy. You are assured of funds for college or a start in life, whether daddy lives to make the deposits or not.

at 65 and the popular 20 Year endowment, and 20 premiums plans. Insurable ages—1 day to 14 years. Payor benefit written on all contracts.

Lincoln National's juvenile contracts include Educational endowments, the endowment

LNL representatives serve the public in 48 of the 48 states, Hawaii, Philippines, Canal Zone, and Puerto Rico.



EDITORIAL COMMENT

Dusty Cloud in the Sky

The developments in the field of state cash sickness benefit plans, we are convinced, comprise one of the dustiest clouds that has ever crossed the insurance sky. It is a situation that needs the statesmanlike attention of top insurance management. It shouldn't be dismissed as something merely for a committee and a handful of technicians to look after.

Whatever the facts may be, the impression has gained currency that the insurance companies as a whole aren't eager to take on the job of providing the cover that is involved in these state-directed plans. For instance we overheard recently an exchange of views across the table on the part of a number of important insurance buyers regarding the California setup. All of these men had decided that their firms should take the state fund cover in California, for the reason that they felt that the insurance companies weren't prepared to do a finished job. That was at the time that the plan was just going into operation, and there were a lot of last-minute wrinkles to be removed. Nevertheless the attitude of this group was that they didn't intend to take a commercial deal if it involved an extra bit of trouble as compared with the state plan.

Then, again, we learn that in one of

the states in which the chances are a cash sickness benefit law will be enacted this year, legislative leaders believe that private insurance companies are not interested in and not capable of handling the program. In that state, it is said, the best that can be hoped for is a competitive setup as in California with the insurance companies and a state fund both in the field.

What is indicated, we think, is a greater show of interest on the part of top management in these situations. It is, of course, not natural for executives whose job it is to smell a deal and smell a dollar to delve into this field, because there can't be a profit in it—the objective merely being to avoid losing money at it. But it is a matter of large import to private insurance from the long range standpoint.

We need only recall that England has had a cash sickness scheme since 1911 and now industrial life insurance and workmen's compensation insurance have become lost to commercial insurers, to indicate how basic the problem is.

While the industry is engrossed in hair splitting debate in the realm of rate regulation, fair trade practices, etc., there is a situation of far greater basic significance and one that contains the threat of making moot the question of what rate regulation shall consist of.

Mr. Gilbert Is at It Again

The Guertin bill gets a very thorough kicking around in the January issue of "Your Investments," published by American Investors Union, a left-wing organization. The author is E. A. Gilbert, co-author of the one-time best seller, "Life Insurance: A Legalized Racket," who talked vehemently against the bill before the insurance committees of the New York legislature last year.

Headlined "A Legalized Gouge of Policyholders: Block the Guertin Bill," the article uses all the arguments Mr. Gilbert marshaled at last year's hearing and adds some new ones. He summarizes his major objections to the Guertin bill as follows: It would permit substantial increases in the maximum surrender charges. It would destroy the effectiveness of established limitations for surplus increases. It would abrogate the policyholder's inherent right to his savings (the reserve) in his contract. By allowing an interest differential, it would pave the way for the companies to circumvent the laws which require

that earnings shall be computed and distributed annually. It would discriminate against new policyholders by forcing them to subsidize the losses on the purely banking operations of the insurance companies.

Mr. Gilbert's chief complaint seems to be that the life companies are little concerned with the sale of insurance and that "their primary object has been in effect to gain control of other people's money to carry on large-scale banking operations." In their eagerness to succeed in their banking ambitions, Mr. Gilbert argues, the companies have lured the policyholder into using his insurance company as a bank by offering attractive interest guarantees. The Guertin bill, he charges, is really a cloak to make new policyholders pay for the losses arising out of these over-liberal guarantees.

"Behind the fiction that the policyholders of an insurance company represent one big happy family and that all funds are held in a general pool for the

benefit of all policyholders, the Guertin bill is intended to gouge one group for the benefit of other groups," he asserts. "This should not be allowed. Let the insurance companies frankly admit that their banking operations are unprofitable and let them take the necessary steps to allocate losses on investment contracts to the holders of such policies. In this way only can justice be done to all policyholders. Even if it means a repudiation of impossible guarantees, there should be a scaling down of payments on contracts and obligations showing losses."

Mr. Gilbert cites a good many figures in his piece but none that show that any such situation as this exists. It seems not to occur to him that the companies, foreseeing the interest trend, might have been accumulating out of the policies enjoying these liberal interest guarantees the funds out of which to meet possible inability to keep on earning interest at the assumed rates. Though he quotes "The National Underwriter" several

times, he must have missed the issue put out each year which shows how the companies have put aside to take care of too-favorable estimates made on annuities, settlement options, and life reserves, not to speak of disability and double indemnity.

They did all this without the Guertin law and can continue doing it without the Guertin law. But nothing stirs the public like being taken for a sucker and the charge that someone wants to slip over something that will "gouge" him for somebody else's benefit is sure to get action. Also the charge that the companies' primary object is to gain control of other people's money has a lot of good, reliable demagogic appeal. Fortunately, most of the people who will read Mr. Gilbert's article probably think the way he does anyway. We can only hope that the legislators in New York and other states where the Guertin bill is due for action this year properly appraise the lack of real facts behind Mr. Gilbert's frenzied denunciations.

PERSONAL SIDE OF THE BUSINESS

Edwin A. Phillips, the new superintendent of agencies of Standard of Oregon, has been with that company since 1928 and is president of Life Managers Assn. of Oregon. For the past eight years he has been manager of the Columbia agency, covering the Columbia river area from Astoria to Pendleton.

Mr. Phillips joined Standard in 1929

Richard M. Fenker, who has been appointed as the new Tennessee department actuary succeeding Henry G. Selman of Monmouth, Ill., will take office about Feb. 15. By that time he expects to finish the work he is doing at Chicago for a joint committee of American Institute of Actuaries and Actuarial Society of America and a committee of American Life Convention.

For the past year he has been working on actuarial tables based on the 1941 standard and substandard mortality tables. Already the committees have distributed 12 volumes and there are six to go.

Mr. Fenker was a lieutenant in navy air transport service. Before the war for four years he was in the actuarial department of National Life & Accident. He attended University of North Carolina and graduated at Vanderbilt. He got acquainted with some of the commissioners and camp followers last week by attending the Chicago meetings of the all-industry committee and N. A. I. C. representatives.

A luncheon was given at Columbus in honor of J. W. Millholland, who is celebrating his 35th year with Ohio National Life as general agent. He is the company's oldest general agent in point of service. Among those in attendance were President T. W. Appleby and Mrs. Appleby, Grant Westgate, superintendent of agencies, and Mrs. Westgate.

Thomas McGee, president of Old American Ins. Co., Kansas City, and head of the important general agency of Thomas McGee & Sons, Tuesday, was host to a group of about 200 on the occasion of his 88th birthday.

Mr. McGee organized Old American to write life and accident and health in 1939. It is the first company in Missouri to go on the CSO-Guertin basis.



EDWIN A. PHILLIPS

as an actuarial clerk. During the following 17 years, he served as home office underwriter, personal producer, agency secretary and agency manager. He was a graduate of Reed College in 1928. He was captain and stroke of the varsity crew, president of the student body and editor of the campus newspaper.

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premiums in 1946 were 70% ahead of the previous year.

Associated with Mr. McGee in the insurance business are three sons and three grandsons.

Cecil F. Cross, vice-president and manager of agencies of Lincoln National Life, who had lost the sight in his right eye completely and had so little vision in his left eye that he could see only faintly the fingers of his hand at arm's length, has regained almost perfect vision in his right eye through a cornea transplanting operation in New York. Next fall he plans to have another similar operation on his left eye. Dr. Ramon Castroviejo, a Spanish surgeon, performed the operation.

Dr. S. Rains Wallace, Jr., new research director of Life Insurance Agency



S. R. Wallace

Management Assn., has a broad background of teaching and qualifications for his new position. Dr. Wallace graduated from the University of Virginia and has taught at Ohio State University and Tulane. During the war his work on aptitude and selection technique and the psychological effect of aviation on pilots gained him wide recognition. He was decorated by the army for his work in studies on the physiological effect of aviation on pilots.

N. H. Seefurth of Seefurth & McGiveran, Northwestern Mutual, Chicago, will give a talk on pension and profit sharing plans at the finance conference of American Management Assn. at New York, Feb. 5-6.

Charles E. Scherer, Midland Mutual Life general agent at Marion, O., underwent an operation for appendicitis a few days ago.

President **C. M. Shanks** of Prudential has been elected a director of the Public Service Corp. of New Jersey.

Chas. E. Becker, president of Franklin Life, and Mrs. Becker are in Honolulu on a vacation. Mr. Becker will visit the company's Honolulu agency.

Coleman A. Hunter, executive vice-president of Atlantic Life, has been elected a director of the Virginia Trust Co. of Richmond.

C. Brainerd Metheny, Pittsburgh general agent of Fidelity Mutual, gave a farewell dinner for **Harold A. Gordon**, who has been supervisor in the agency, and who has been appointed general agent for Fidelity at Cleveland. About 50 were present. Mr. Gordon was presented with a desk set and a wall plaque. Mrs. Gordon was presented with a picture.

R. R. Lounsbury, president of Bankers National Life, will celebrate his 55th birthday Feb. 8.

J. G. Ray, national secretary of Modern Woodmen, is confined to his home in Rock Island with a fractured leg sustained in a fall.

John J. Herron, district manager at Galesburg, Ill., for Prudential, since 1926, has completed 30 years with the company, all of it in Galesburg.

On his 85th birthday, **John H. Upton**, nationally known actuary, received greetings from more than 80 fellow-members of the Actuarial Club of the Pacific States and the Los Angeles Actuarial Club as a token of his long service to life insurance. At the peak of his career in 1909, Mr. Upton helped to launch Idaho State Life, serving it as agency director and actuary. Previously he had been actuary of Great Western Life of Kansas City. Later he moved to Denver and became actuary of Capitol Life for several years. In 1920 he became secretary and actuary of Two Republics Life, El Paso. In 1927 he "retired" to Los Angeles, with no intention, however, of leading a life of inactivity. He subsequently assisted Occi-

dental Life with the merger of Western Mutual in 1928, then became consulting actuary of Golden States Life and later actuary of Unity Mutual. He retired three years ago, following an illness.

Wallace Downey, new insurance commissioner of California, who takes office Feb. 1, is an attorney at Los Angeles and is general counsel for Pacific Freight Lines. He succeeds Commissioner Maynard Garrison, who has been in office since 1943 and resigned to become a vice-president and director of Fireman's Fund group. Mr. Garrison also is an attorney, and was a member of the law firm of Betts & Garrison when he was appointed. Before that he was associate counsel for Insurance Exchange of Automobile Club of Southern California.



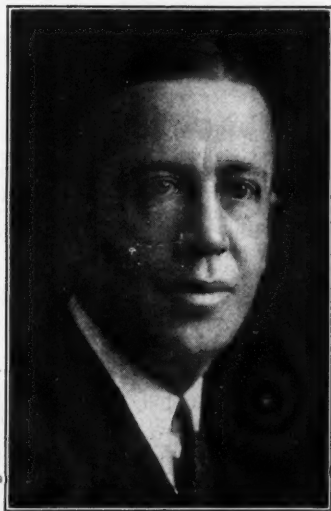
Wallace Downey

DEATHS

Allan Brosmith Dies

HARTFORD—Attorney Allan E. Brosmith, for many years a member of the Travelers' legal staff, died Tuesday at St. Francis hospital after a short illness.

After graduation at New York law



ALLAN E. BROSMITH

school he joined Travelers as a trial lawyer at New York. He was a member of the home office legal staff here from 1919 to last April when he joined the firm of Halloran, Sage & Phelon.

His father, the late William Brosmith, was a vice-president and general counsel for Travelers.

Oliver O. Laughlin, 64, former agency supervisor of John Hancock Mutual Life, died at Indianapolis after a short illness. He retired in 1929.

Virgil E. McCollum, Minneapolis general agent of the Massachusetts Protective group, died while on a business trip to western Minnesota. He was a former president of the Twin City Accident & Health Club.

Joseph R. Paisley, 79, former life company executive, died at St. Louis. He was one of the founders of Protective League, a fraternal, which as Protective League Life of Decatur, Ill., was merged in 1918 with Standard Life of Des Moines to become Standard Life of Decatur, of which he became president. He went to St. Louis in 1922 when its home office was moved to that city. When Standard Life merged with International Life in 1924, he was elected president of International. He sold his

International Life stock and retired as president about a year later. A son, George F. Paisley, for some years has been an outstanding personal producer for Great Southern Life at Houston.

W. Lee Baldwin, president of Security Life & Accident, has been elected a director of Central Bank & Trust Co., Denver.

Daniel F. McDonald, 61, for 34 years an agent of Metropolitan Life and New York Life, died in his home in Carthage, N. Y., after an illness of two years. He joined Metropolitan in 1912 and remained with it until 1929 when he went with New York Life.

Frank S. deSaussure, Jr., 53, district agent of Pacific Mutual Life at Greenville, S. D., died of a heart attack at his home there.

Arthur L. Scharps, 50, of the James H. Cowles agency of Provident Mutual Life, died at his home in Los Angeles.

Fuller on Coast Trip

Ray E. Fuller, agency vice-president of Equitable Life of Iowa, will be present at the victory dinner being staged by the company in Seattle Feb. 1 in honor of the Hugh S. Bell agency—leading agency for the company in 1946 totals.

Mr. Fuller will then visit agencies up and down the coast, accompanied by Clair O. Du Bois, just appointed assistant superintendent of agencies and for the past six years coast field supervisor.

Little Clayton Act in Conn.

HARTFORD—A bill designed to head off application of certain features of the federal Clayton act after Jan. 1, 1948, has been introduced in the Connecticut legislature by Rep. William H. Dallas, who is a vice-president of Aetna Life in private life.

Under the bill any domestic insurer

could retain or acquire the whole or any part of the stock or other share capital of other insurance corporations provided that it did not, by reason of such ownership, conduct its business "in a manner which substantially lessens competition or tends to create a monopoly." The bill also provides that any person may be a director in two or more insurers where such interlocking directorates do not tend to create a monopoly. The insurance commissioner is empowered to serve notice on the companies or directors when he feels that the regulation is being violated.

Republic Nat'l Opens School

A class of nine agents and two general agents entered Republic National Life's home office in Dallas Jan. 20, for a two-weeks' course in life underwriting, the second in a program of agency training announced in the early winter by President Theo. P. Beasley. The school was opened by M. Allen Anderson, first vice-president and director of agencies, and is conducted by Charles E. Shedd, assistant director of agencies and supervisor of training. Each new agent will participate in three schools, introductory, intermediate and advanced, during the first contract year. The courses will be interspersed by supervised field work.

Clarence H. Poindexter, St. Louis, general agent of Northwestern Mutual Life, wrote the application for the company's policy No. 4,000,000 which started its Series EE policies written on the 2% reserve basis. The insured is Theodore Poindexter Emerson, son of R. H. and Jane Poindexter Emerson, a grandson of Clarence H. Poindexter, and great grandson of Early W. Poindexter, who started with Northwestern Mutual as a personal producer in Kansas in 1885. His father is assistant director of agencies at the home office.



Liberal Compensation

for agents is profitable for a company. Witness: in the past five years the Western Life has more than doubled its insurance in force. Now over \$119,000,000. Paid volume in 1946 over thirty-one millions. Insurance in force gain in 1946 more than twenty-two and one-half millions.

A few openings in California, Oregon, Washington, Montana, Idaho, Utah and Wyoming for men who can qualify. Check our Financial Statement and our 36-Year record of progress.

WESTERN LIFE INSURANCE COMPANY

HELENA

Since 1910

MONTANA

Assets \$24,312,324

Surplus to Policyholders \$2,900,000

Insurance in Force \$108,574,644
(August 31, 1946)

R. E. RICHARDSON
President

LEE CANNON
Agency Vice President

LIFE AGENCY CHANGES

Groff Heads Eastern Dept. of Mutual Trust, Other Changes

Several changes in the eastern department have been made by Mutual Trust Life.

William E. Groff becomes manager of the eastern department, covering all Atlantic coast states. He has been manager of the New England division at Boston. Mr. Groff joined the company in 1939 and was general agent for the company before becoming New England division manager.

Jack B. Hawkins, who has been assistant eastern department manager, takes

charge of the New England division. He joined Mutual Trust in 1936 as general agent at Worcester. As assistant manager of the eastern department, he had charge of metropolitan New York and New Jersey.

A. H. Neil has been named manager of the enlarged Atlantic division, covering northern New York, Pennsylvania, New York city and New Jersey. Mr. Neil has been with Mutual Trust since 1938.

Opens Montgomery, Ala., Office

Prudential has opened an office at Montgomery, Ala., under supervision of the Birmingham ordinary agency, and with James L. Bush in charge as assistant manager. Mr. Bush is transferred from Birmingham.

A THREE-FOLD RESPONSIBILITY

Today's career life underwriters are faced with a three-fold responsibility.

1. To bring to as many American homes as possible the benefits of adequate life insurance protection;
2. To cooperate as a part of the institution of life insurance to combat inflationary talk and tendencies;
3. To counsel with all war veterans and urge that they retain their National Service Life insurance.

Upon the execution of this three-fold responsibility today depends, to a great extent, the prestige and increased usefulness of tomorrow's career life underwriters.

Equitable Life of Iowa

Founded 1867

HOME OFFICE

DES MOINES

THERE'S SUBSTANTIAL MONEY

To Be Made Even In a Small Town
Through Our General Agent's Contract

Attractive General Agency territory open in
Missouri, Iowa, Arkansas, Mississippi, Kentucky and Louisiana.

For further information write J. DeWitt Mills, Superintendent of Agents

MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY
Life Insurance Company

812 Olive Street

Allen May, President

St. Louis 1, Mo.

Hall Mass. Mutual Pittsburgh G.A.

Following the resignation of Edwin A. Coyle, general agent for Massachusetts Mutual at Pittsburgh since 1940, Charles W. Hall, assistant director of agencies has been appointed gen-



CHARLES W. HALL

eral agent. Mr. Coyle will engage in full-time personal selling and, as associate general agent, will continue with the agency with which he has been for 22 years.

Mr. Hall entered the business in 1931, with the company's agency at Rochester, N. Y. In 1933 he was appointed supervisor. He was president of the Massachusetts Mutual Agents' Assn. in 1934-35. In 1936 he joined the agency department staff and the following year became assistant director of agencies.

At a luncheon to be given at the Duquesne Club, Chester O. Fischer, vice-president, will introduce Mr. Hall to Pittsburgh business men.

Mutual Benefit Opens Unit at Duluth Under Elden

The opening of a new agency at Duluth with William Elden as general agent is announced by Mutual Benefit Life.

Sixteen counties in Minnesota, Wisconsin and Michigan will be developed by Mr. Elden, who has had 27 years of insurance experience. He goes to Mutual Benefit from Union Central, which he has represented since 1933.

Mr. Elden is vice-president of Duluth Assn. He was chairman of the rationing board. He was born in Norway in 1897, was graduated from navigation school, and served as first officer on Great Lakes ships before entering insurance in 1919.

Republic Nat'l Names Two Agency Heads in Texas

Republic National Life has appointed Rayburn H. Carrell manager of the Fort Worth agency and E. H. Mapps manager at Beaumont.

Mr. Carrell had eight years of insurance experience preceding and following his military service. He is entering Texas Christian University for special training in the insurance marketing school.

Mr. Mapps has just returned from special study in the institute of insurance marketing at Southern Methodist University. Several agents in the Beaumont and coastal territory are members of his agency.

James Mulder, Baldwin, Wis., has been appointed district manager of the Cooperative companies of Milwaukee for five counties. He joined the group a year ago as an on-the-job trainee after three years army service.

Equitable Divides La. Field; Names O'Malley, Sullivan

Equitable Society has divided Louisiana jurisdiction between two new agencies, one at New Orleans headed by Howard E. O'Malley and the other at Shreveport in charge of John N. Sullivan, Jr.

John A. Bumstead has relinquished his managerial duties, but will continue to represent Equitable at New Orleans.

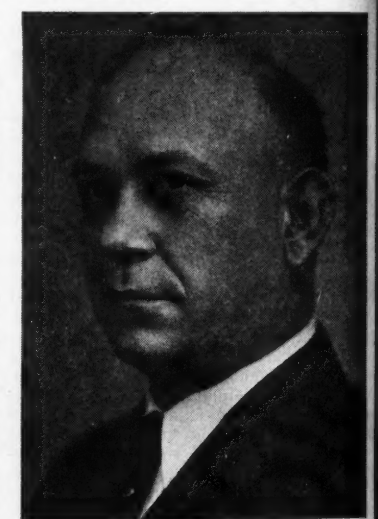
Mr. O'Malley has been with Equitable since 1913 and for the past eight years has been supervisor of sales promotion in the agency department. He started as a clerk in a New York City agency, later became connected with the home official medical department in 1922, returning to a New York City agency.

Mr. Sullivan, a graduate of Mississippi University, since 1940 has been district manager for Equitable at Meridian, Miss., and developed a unit of \$2 million. He joined the Barber agency at Memphis in 1937 and in 1939 was made field assistant.

Installation meetings were held for Mr. O'Malley and Mr. Sullivan attended by S. A. Burgess, 2d vice-president and Arthur G. Emerson, agency assistant, from the home office.

Mutual Benefit Owensboro General Agent Retires

J. G. Weill of Owensboro, Ky., is retiring as general agent for Mutual Benefit Life, but will continue to serve as a soliciting agent. Mr. Weill will be honored at a luncheon at the home office.



JOSEPH G. WEILL

Jan. 31 and will be presented with a gift by the officers.

Mr. Weill's appointment as general agent in 1939 followed a successful career as agent. Entering the business in 1908 on a part-time basis, he discovered that his earnings from life insurance exceeded his salary as head bookkeeper of National Deposit Bank. In 1911 he resigned from the bank and became a full-time producer at Louisville. After two years he became Louisville supervisor and served in that capacity 12 years. In 1934 he became one of Mutual Benefit's first honorary weekly producers with a record of 1,000 weeks of consecutive weekly production.

K. C. Life Appoints Fogarty Detroit General Agent

J. W. Fogarty has been named general agent of Kansas City Life for Detroit and six adjacent counties. The Fogarty agency will be located in suite 710-11 of the Fox Theatre building.

Mr. Fogarty is a veteran of more than 25 years in life insurance, the last 5

AMONG COMPANY MEN

Hubbard, Huppeler, Minn. Mutual Ups Kuehn Advanced by Mass. Mutual

Massachusetts Mutual has advanced Eugene W. Hubbard, field auditor, to controller, a new position; Lambert M. Huppeler, assistant director of agencies, to superintendent of agencies; Leo E. Kuehn, planning engineer, to assistant secretary.



L. M. Huppeler

Mr. Hubbard went with Massachusetts Mutual in 1935 as home office real estate auditor. He was appointed field auditor in 1938 in charge of auditing mortgage loan and real estate field offices. He is a certified public accountant.

Mr. Huppeler, a graduate of the University of North Dakota, started as an agent for the Equitable Society at Syracuse, where he was promoted to district manager. He was for two years agency supervisor for the Connecticut Mutual at New York City. Immediately before joining the Massachusetts Mutual in 1938 as agency assistant, he was associate general agent for the National Life of Vermont, at Binghamton. He was made assistant director of agencies for the Massachusetts Mutual in 1942. In that position, he supervised the sales development of pension trusts and employee retirement plans.

Mr. Kuehn was first employed by Massachusetts Mutual in 1920 as a renewal department clerk. He was in charge of premium loan accounting from 1923 until 1937 when he was transferred to the planning department, being appointed planning engineer in 1945.

Names Two Assistant Treasurers

Canada Life has appointed W. E. C. Martin and G. D. Saunders assistant treasurers.

Minn. Mutual Ups Browne, Theiss

Ernest H. Browne has been named agency secretary and Arthur W. Theiss



A. W. Theiss

director of publicity and advertising of Minnesota Mutual. Mr. Browne had been assistant agency secretary since 1942, Mr. Theiss assistant superintendent of agencies since 1945.

Mr. Browne was engaged in banking at Minneapolis for 11 years prior to becoming an agent for Equitable Society in 1923. Seven years later he was appointed instructor of the twin Cities agencies in charge of education for Minnesota and the Dakotas. He joined Minnesota Mutual in 1938 as branch manager at St. Paul. He was transferred to the home office in 1942. He is past president of the St. Paul Life Underwriters Assn.

Mr. Theiss has been in advertising for 24 years. Prior to joining Minnesota Mutual, he had been sales promotion manager for Ohio National for 11 years.

Morse, Steven, Noyes to Higher Phoenix Positions

Clifford L. Morse, formerly assistant agency manager, becomes associate manager of agencies of Phoenix Mutual.

C. T. Steven, formerly advertising manager, becomes director of public relations.

C. Russell Noyes, formerly assistant advertising manager, becomes advertising manager and an officer of the company.

H. Archer Clark is promoted to manager of city mortgages; W. Roy Wolf to assistant manager of city mortgages; and Malcolm Anderson and B. B. Stefanson to assistant managers of underwriting.

Ohio State Names Morrison Secretary, 6 Others Promoted

E. Lloyd Morrison has been appointed secretary and comptroller of Ohio State Life to succeed T. T. McClintock, who resigned last week to become life department manager of Fidelity Health & Accident Mutual of Benton Harbor, Mich.



E. L. Morrison

Mr. Morrison is a graduate of Westfield College. He joined Ohio State Life in 1930, becoming assistant auditor in 1938. Prior to that he had been assistant to the superintendent of Ohio Oil in Kentucky and Tennessee and treasurer of Eureka.

Six promotions have been made in the home office staff. Ralph R. Montgomery becomes auditor succeeding Mr. Morrison; Edward Fries, assistant actuary; James L. Tapp, chief underwriter; Charles Barry, manager of the health and accident department; Millard Husesey, manager of the policy service department, and George D. Weakley is named manager of the new business department.

11 Travelers Promotions

Robert E. Fee, who had been assistant secretary, has been named secretary of the methods and planning department of Travelers and John P. Walsh and Harlan L. Howard, assistant secretaries of the same department.

Sterling T. Tooker was appointed secretary of the personnel department.

In the group department William H. Burling and S. Gwynn Dulaney have been made assistant secretaries.

George L. Smith was advanced from superintendent to assistant secretary of the accident department.

Four new assistant auditors were named. They are William F. Lang, James H. Latham, John J. Budds and Merritt B. Pratt.

of these as district manager in Detroit for Kansas City Life.

He qualified for Kansas City Life's President's Club in 1945, and repeated in 1946 well ahead of schedule.

Hansen to S. D. Post

John G. Hansen, former superintendent of Fremont, Neb., schools, who resigned in 1945 to enter life insurance, has been promoted to general agent for the eastern half of South Dakota by Bankers Life of Nebraska, with headquarters at Sioux Falls.

York District Manager

J. W. York has been appointed district manager of Equitable Society at Indianapolis under Fitzhugh Taylor. He joined the office in 1930, serving as agent, field assistant, and assistant manager.

Kriss to El Paso Post

Howard E. Kriss has been named general agent for Pan-American Life at El Paso. He has been a life insurance man at Cleveland 18 years. He attended Ohio State University and was a football and track luminary.

Baltimore Life Appointments

Baltimore Life has appointed Prince E. Lewis manager of its Chester, Pa. district. Mr. Lewis, until this appointment, was staff superintendent in Baltimore. He joined the company in 1937 as an agent.

Emerson E. Rhodes has been made staff superintendent at the company's Erie, Pa. office. He succeeds Herbert Johnson, manager, who retired after 40 years of service.

G. A. Clumpner Transferred

Guy A. Clumpner has been named as Inland Empire district manager of Federal Old Line Life of Spokane. He is being transferred from the Tacoma office.

Daniel F. Sewinwald has been named assistant manager at Buffalo for New York Life. He joined the company in 1939 and in 1942 led the Buffalo branch. He was discharged from the army last September.

Churchill Has High Record

Edward S. Churchill of the Glenn B. Dorr agency of Northwestern Mutual in Hartford not only produced more than \$1 million of new life insurance in the year just ended, but went into the new year with more than \$1 million pending issue.

His total volume of business written in 1946 was \$2,364,340 on 105 lives, with annual premiums of \$116,600. All but nine of the applications were prepaid in full or in part when submitted. Although a substantial proportion of his production was derived from pension work, personal policies and individual business contracts made up the bulk of his record total. In this field alone the volume written was \$1,822,500 on 53 lives with annual premiums of \$96,000. The average policy on this business, \$34,385, is also believed to be a company record for that area.

Mr. Churchill entered insurance after graduating from Wesleyan University in 1928. In 1930 he became the first Connecticut man to pass the C.L.U. examinations. He received the designation two years later on completion of the three-year experience requirement. He was first president of the Hartford C.L.U. chapter and is a former director of the Hartford Life Underwriters Assn.

Judge Gives Probate Talk

Judge M. S. Sheridan of the Milwaukee county court, dean of probate judges in Wisconsin, spoke on some reflections of a county judge, particularly with respect to wills and administrations, at a dinner meeting of the Milwaukee Life Insurance Trust Council.

The BRIGHT SPOT
of OPPORTUNITY
for a high-grade man
RIGHT NOW is..

MARION
(Ohio)

DES MOINES
(Iowa)

FRANKFORT
(Indiana)

AMERICAN UNITED LIFE INSURANCE COMPANY

Established 1877



Indianapolis

Hansel Agency Director of Ky. Home Mutual Life

Kentucky Home Mutual Life has appointed Homer B. Hansel director of agencies.

Mr. Hansel is a graduate of Berea College and has been in the life business for 15 years, first with Mutual Life, and more recently with John Hancock. He has been agent, supervisor and manager. He is president of the Evansville (Ind.) Assn. of Life Underwriters and is a C.L.U.

The *Unique Manual-Digest* provides everything you need on a case. \$7.00 from THE NATIONAL UNDERWRITER.

Roberts Manages Mutual Life Agency for Northern Ill.

Lloyd F. Roberts succeeds Joseph B. Macken as manager of the northern Illinois agency of Mutual Life at Chicago.

Mr. Roberts has been a training assistant at the home office for the past year. He joined the company in 1935 in the Milwaukee agency. He was promoted to supervising assistant in 1938 and later was appointed to assist in selection and training. In 1945 he became assistant manager.

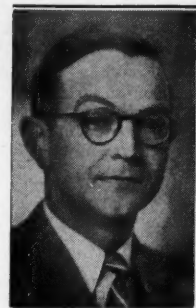
Mr. Macken, who is resigning because of impaired health joined Mutual Life in

1910 at Portland, Ore., where he later served as district manager. He was named joint manager at Detroit in 1933 and a year later manager. In 1941 he became manager for northern Illinois. Mr. Macken is retaining his connection with the agency and plans to resume personal production.

Two Great-West Assistant General Managers

P. S. Bower has been appointed assistant general manager and treasurer, and D. E. Kilgour, assistant general manager

agent at Grand Junction, Colo., has been appointed general agent at Portland.



C. O. Du Bois



J. R. Ward

Ore., to succeed T. J. Binder, who is retiring after 30 years in that post.

Guardian Promotes Reidy, Topping

Guardian Life has promoted Daniel J. Reidy, assistant vice-president,

general counsel succeeding the late Curtis Robertson. Price H. Topping is advanced from assistant counsel to associate general counsel.

Mr. Reidy joined Guardian in 1929 and was made assistant secretary in 1936. In 1946, after four years in the army, he was appointed assistant vice-president. He graduated from Columbia University and the St. Lawrence University law school, and was admitted to the bar in 1936.

Ordered to active duty in 1942 as captain, Mr. Reidy set up the army NSLI program in the Pacific. He was made a lieutenant colonel and awarded the legion of merit for his work in liberation and repatriation of American prisoners of war.

Mr. Reidy is a past president of International Claim Assn. and former chairman of the Eastern Life Claims Conference.

Mr. Topping's appointment follows 13 years with the Guardian. He has been assistant counsel since 1940. He received his law degree from the University of Buffalo in 1928. Currently he is a vice-president of the International Assn. of Insurance Counsel.

Honey Associate Counsel of Provident L. & A.

James K. Honey has joined Provident Life & Accident and is named to the new post of associate counsel.

Mr. Honey has been with the law department of Fidelity Mutual Life for the past three years and prior to that was connected with Northwestern National Life as assistant to the vice-president in charge of taxes, claims and general legislative matters. He is a graduate of University of Minnesota law school and was admitted to the bar in Minnesota in 1928.

Mr. Honey started in the banking field in North Dakota, later moving to Minneapolis to join Metropolitan Bank. His law work for the bank, principally in connection with trusts, provided a stepping stone to the insurance business.



James K. Honey



D. E. KILGOUR

and superintendent of agencies of Great-West Life.

Mr. Bower joined the company in 1925 in the actuarial department. In 1933 he was appointed assistant treasurer and in 1944, treasurer.

Mr. Kilgour joined the agency department in 1933 and served as inspector of



P. S. BOWER

agencies and agency assistant until 1943, when he was made secretary of the company. Last July he was appointed superintendent of agencies.

Du Bois Advanced on Coast; Ward to Portland, Ore.

Clair O. Du Bois, since 1942 home office field supervisor on the Pacific Coast for Equitable Life of Iowa, has been appointed assistant superintendent of agencies with headquarters in San Francisco. Mr. Du Bois has been with the company since 1930 when he joined the San Francisco office as an agent.

J. Richard Ward, who became home office field supervisor at the same time as Mr. Du Bois and before that general

A COMPANY with a Long established record of liberal cooperation to Field Representatives

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To Qualified Men

If you live in or are considering a home in Colorado, Idaho, Montana, Oregon, Texas, California, Washington or Wyoming, we shall be glad to discuss with you, on a direct Home Office basis, our plan which will put you on the road to success in the Life Insurance business.

Address inquiries to the Home Office, and definite information will be provided.

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Service

Strength

MIDLAND NATIONAL LIFE

J. J. BELL, PRES.

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is a simple matter!

With a Bankers Mutual Life contract, tailored to your measure. An Agent's and Policyholder's Company "where the Agent reigns supreme".

Bankers Mutual Life Co.

ESTABLISHED 1907

FREEMONT, ILLINOIS

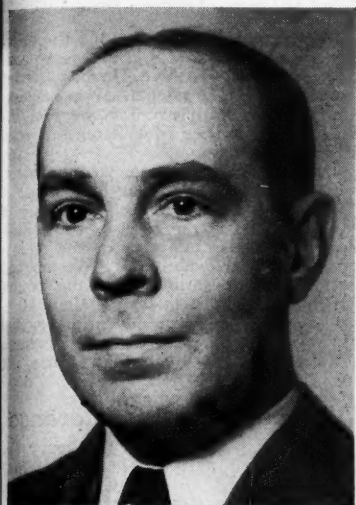


which he entered as an employee of Travelers at Minneapolis.

Menor and Hallberg in New Posts for Mutual Trust Life

Mutual Trust Life has elected C. E. Menor vice-president and secretary and Thor Hallberg as comptroller.

Mr. Menor has been secretary of Mutual Trust since 1943. He joined



C. E. MENOR

the company in 1923 in the agency department, later going to the statistical department, and in 1926 becoming chief underwriter.

Mr. Hallberg joined Mutual Trust in 1922 in the renewal premium department, then going to the auditing department. He became manager of the accounting division in 1929. His election as comptroller marks the first time the company has had that office and it gives Mr. Hallberg officer status.

Commonwealth Promotes McGary

Philip M. McGary has been promoted to assistant director of agencies in the industrial department of Commonwealth Life. He has been an assistant manager in the Louisville east district since 1942 and has had a successful record since he joined Commonwealth in 1941.

Mr. McGary started as an agent and was promoted to assistant manager one year later. Since the beginning of his connection with the company, Mr. McGary has never failed to write one or more ordinary applications each week, and has qualified for every bonus that has been offered.

In his new capacity, he will be assigned to Alabama and Tennessee.



P. M. McGary

Leonard Joins Mutual Life

John F. Leonard has joined Mutual Life as an administrative assistant in the comptroller's department. Formerly with the New Jersey Optical Co., he was with Metallizing Engineering Co., from 1942 to 1946 and with National Oil Products Co. from 1936 to 1942.

American Home Life of Spencer, Ia., has elected Senator Robert Keir as director.

Poorman Now Executive V.P.

DES MOINES—W. F. Poorman was elected executive vice-president and actuary of Central Life of Des Moines at the annual meeting. Mr. Poorman became associated with the company in 1925 as actuary.

President E. H. Mulock reported that in 1946 sales totaled \$24,386,000, resulting in an increase of insurance in force of \$17,163,000. Surplus increased \$214,019, making the total \$7,225,000. The rate of interest earned on investments was 3.06%.

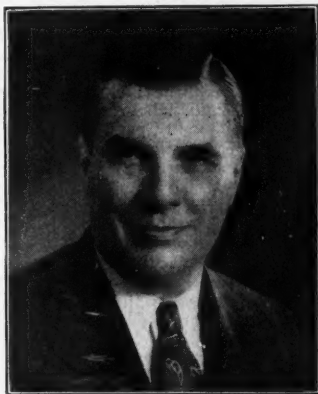


W. F. Poorman

R. T. Moore President of Cleveland Executives Club

CLEVELAND—Robert T. Moore, Ohio National Life, has been elected president of Executives Club of the Cleveland Life Underwriters' Assn.

Ray Warren, Manhattan Life, is vice-



ROBERT T. MOORE

president; Arnold F. Laut, Life of Virginia, secretary. Lewis C. Richards, Sun Life of Canada, and James H. McCullough, Union Central, were elected to the executive committee.

Stever, L. A. Speaker on "Planning and Objectives"

LOS ANGELES—Ron Stever, general agent of Equitable Society, addressed the Life Supervisors Assn. of Los Angeles on "Planning and Objectives."

The underwriter should have a good plan of prospecting, work out an organized routine, should have some degree of specialization, should build prestige and be able to visualize the objectives he sets for his goal, Mr. Stever said. He then related his experience of how he prospected, secured lists, reduced the initial list to half its total, used letters to the latter and for this class had on file for each prospect general information, the buildup on the prospect and the progress made with him. He told of a monthly tax bulletin he is using, said he likes using the telephone and now makes no calls without phoning for an interview.

He told of his organized routine, with its work sheets, and schedules, and said that by referring to them at the end of the week he knew in five minutes the answer to the week's progress. He declared that by staying on his scheduled routine his batting average of results was close to 100%.

In building prestige he said that if the underwriter does a good job for one client it brings favorable results. He told his hearers that the underwriter to

help build prestige must become active in all civic affairs in his community.

In the visualization of objectives the underwriter who has the spark to see the opportunities in the life insurance business has the battle won.

Introduce Bills in Pa. to Widen Investment Field

HARRISBURG—Two bills to widen the field of investment for Pennsylvania life insurance companies have been introduced in the state senate by Senator George N. Wade, chairman of the insurance committee.

The legislation would permit Pennsylvania life companies to make capital and reserve fund investments in public instrumentality obligations, trustees' and receivers' certificates, acceptances and bills of exchange, bonds of the International Bank, loans under the G.I. bill of rights, and FHA mortgages, mort-

gages on leaseholds and mortgages backed by strong corporate leases.

In addition, up to one-fourth of reserves could be invested in preferred and common stocks, obligations of corporations whose earnings may not qualify them for unrestricted reserve investment, and collateral loans, all authorized for surplus investment only under present law.

Real estate for housing projects, which under present law is permitted as investment for reserve funds in blighted areas only, would also be authorized as investment for the ¼ restricted reserves.

In addition, restricted reserve could be invested in real estate for rental for business, commercial or industrial purposes, and obligations of Canadian provinces, other Canadian political subdivisions, and Canadian corporate stock.

Insurance companies backing the legislation point out it is necessary that they be enabled to meet the changed demands for investment so far as this



THE PELICAN, we learn, has won another top award among life insurance field publications. That is almost as gratifying as the reports from Mutual Benefit fieldmen that THE PELICAN, in its forty-third year of publication, continues to inspire and aid them in the daily work of bringing Mutual Benefit service to their clients.

THE Mutual Benefit
LIFE INSURANCE COMPANY
Newark, New Jersey

PEACE TIME OPPORTUNITIES

An Agency conscious company, with a rate book full of complete coverage including non-medical juvenile contracts from birth, provides a most satisfactory working agreement for available field men. Once a Scranton man always one—Ask any Scranton Life Field Man Why.

GENERAL AGENCY TERRITORY AVAILABLE IN PENNSYLVANIA AND MARYLAND.

SCRANTON LIFE INSURANCE CO.

SCRANTON, PA.

R. MERRIMAN, President

can be done without lowering the standards of safety required.

Detroit Starts P.R. Course for Office Personnel

The Life Agency Cashiers Assn. of Detroit and Windsor and the General Agents & Managers Assn. of Detroit have launched a public relations course for office personnel. A dinner was given at Detroit to open the sessions, at which George E. Lackey, Detroit general agent for Massachusetts Mutual, was speaker.

The course will cover five weeks. Guests at the dinner included Arthur W. Greenfield, president Detroit Life Underwriters; Arthur D. Sutherland, president Detroit General Agents & Managers; William M. Milligan, president

Detroit C.L.U. chapter, and W. C. Folley, dean of the business school of Wayne University.

Mr. Lackey pointed out that every person who contacts policyholders should have full knowledge of the contracts. Often the sole contact with policyholders is the office staff, he said, and they should be particularly well informed.

Modernization Is Needed

SEATTLE—Seattle Life Managers Assn. heard a talk on "Estate Planning" by Henry A. Hendricks of National Bank of Commerce. He said modernization of methods and objectives is in order. Bob Mathews, Northern Life, chairman of the legislative committee, reported on the progress of the Washington code bill.

Dukes Baltimore President

New officers of the Baltimore Managers & General Agents Assn. are L. Reyner Dukes, Continental American, president; David Goodman, Metropolitan, vice-president. New directors are Joe Duffy, John Hancock; Earl Eitemiller, Equitable of Iowa; Russell Swigert, John Hancock, and Dick Hyde, Union Central.

Install Atlanta Officers

The Life Agency Cashiers & Office Managers' Assn. of Atlanta elected and installed the following officers at the January meeting: Mrs. Sybil Arbery, president; J. E. Husbands, first vice-president; Mrs. Geraldine Mulkey, second vice-president; Mrs. Jean Brown, secretary, and J. J. Boyd, treasurer.

C. L. U.

Maduro New York Speaker; Bottens Is New President

Questions on ownership insurance, matured endowments and business insurance, chiefly relating to tax problems, were discussed by Denis B. Maduro, New York city lawyer, before the New York city chapter of C.L.U.

Richard E. Myer, Mutual Life manager in New York city, told of plans for a C.L.U. forum to be held at the Waldorf-Astoria April 8 on economic and social trends. The forum will concern itself with the three factors in national production—land, labor and capital, and with the problems of people living under these three economic categories.

John S. Ray, New York city district manager for Metropolitan Life, resigned as president of the chapter because of transfer to the home office in duties which will involve traveling. He was succeeded by Executive Vice-president Levi E. Bottens, manager for Teachers Insurance & Annuity in New York city.

A meeting for producers who have joined the New York City Life Underwriters' Assn. during the last year to acquaint them with the work and objectives of the association will be held Feb. 6. Speakers from the national and state associations will be present, and committee chairmen of the local association will discuss work that the committees are doing.

"Buy and Sell" Form Urged for Professional Partners

LOS ANGELES—Attorney Richard Forrester addressed the Los Angeles C.L.U. chapter on "Pitfalls to Look for in Professional Partnerships During 1947."

Recommending the "buy and sell" form of life insurance for the professional partnership, he gave as basic reasons for adopting this form and avoiding others, the prevention of liquidation; protection to the survivor; taxation advantages; protection of the widow of the deceased partner, and liquidity of estate. He outlined the importance of these in reverse order, not giving liquidation and protection of the survivor top rank in importance. He said that protection of the widow was important in that, with the buy and sell plan she is paid something in the way of cushioning and gives time for readjustment. He emphasized the importance of selling protection on the estate of the deceased.

C.L.U. Course at Madison

Harold R. Noer, Wisconsin Life, chairman educational committee Madison Assn. of Life Underwriters and of the Madison C.L.U. chapter, is cooperating with University of Wisconsin extension instructors in forming another 16-week course, following the completion of Part A of the C.L.U. course. The new course, Part B, will also be conducted by Charles C. Center, professor in the school of commerce.

SALES MEETS

Continental American Life Agents and Managers Meet

More than 200 were on hand last week for the annual meeting of the field force of Continental American Life. The Managers & General Agents Assn. held its annual meeting on the morning of the first day.

Speakers included President A. A. Rydgren; D. E. Jones, vice-president; Thomas W. Reed, assistant secretary; and Patrick H. Yoeman, superintendent of agencies.

The second day was devoted to education, at which Max S. Bell, vice-president, and Paul E. Van Horn, assistant superintendent of agencies, were speakers, together with two members of the field force, Charles S. Wilson and John F. Palmer.

Dr. Claude L. Benner, vice-president, was speaker at the closing luncheon.

Diplomas were presented to 17 men of the first class in the Diamond Life Bulletin agent's training course, put into effect 40 weeks ago. Mr. Wilson and Mr. Palmer described how the course had benefited them. Mr. Van Horn stressed the value of education, saying that agents taking courses had increased production 42% more than those not using them.

O'Shea Agency Conference

The Mississippi valley agency of North American Life held its first 1947 meeting at St. Louis. Greg O'Shea, agency director, gave the welcoming address. Short talks were made by Charles Scissors, the agency's leading producer in 1946, who paid for over \$250,000 in new business, and Joe Garagiola, of the world champion St. Louis Cardinal baseball team.

Harry Schaefer and Bob Miller of the Milwaukee agency conducted a session on sales-aids for the agency force.

Plan State Farm Rally

The State Farm organization of Bloomington, Ill., is making plans for its annual agents' roundup at the Stevens hotel, Chicago, the week of June 1. There will be a general meeting for agents the first two days, on the third day there will be a gathering of district agents and on the fourth day, a meeting of state agents.

This will mark the 25th anniversary of the parent company, State Farm Mutual Automobile.

West Coast Managers Meet

Agency managers of West Coast Life are in San Francisco attending the annual managers conference with home office executives Jan. 29-31.

H. J. Stewart, vice-president and manager of agencies, and Otto Langpaar, inspector of agencies, are presiding at the meetings. Participating in the discussions from the home office are Walter E. Hebel, agency secretary; Vanette, manager group sales; S. S. Battleson, manager A. & H. sales; Robert Benjamin, group supervisor, and R. M. Henderson, sales promotion head.

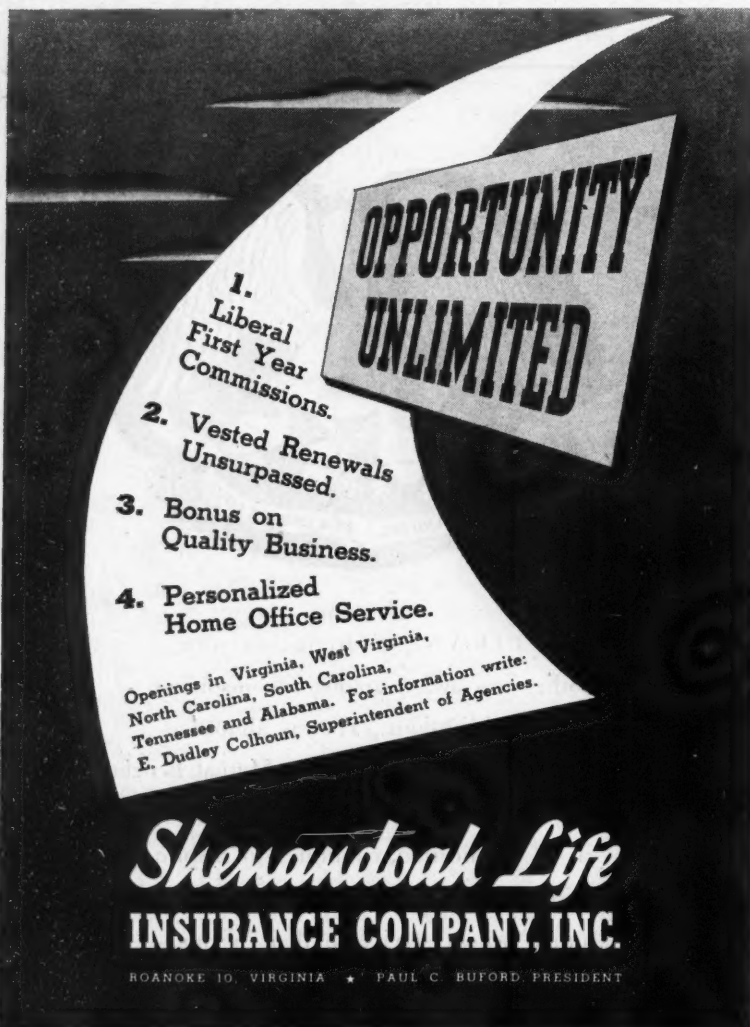
New Occidental Managers Meet

Attending a five-day Occidental Life conference Jan. 20-25, in the Los Angeles home office were 14 new agency managers.

The guests were welcomed by V. H. Jenkins, senior vice-president, and Raymond H. Belknap, director of agencies. Lester S. Roscoe, C.L.U., director of field training, was chairman of the conference.

Brown San Antonio G. A.

Ernest C. Brown, who has been agent of Modern Life and Occidental Life, has been appointed San Antonio general agent of Modern Life.



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1. Liberal First Year Commissions.
2. Vested Renewals Unsurpassed.
3. Bonus on Quality Business.
4. Personalized Home Office Service.

Openings in Virginia, West Virginia, North Carolina, South Carolina, Tennessee and Alabama. For information write: E. Dudley Colhoun, Superintendent of Agencies.

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ROANOKE 10, VIRGINIA • PAUL C. BUFORD, PRESIDENT



\$250 to \$500 single
1000 Rooms—1000 Baths

WHERE YOUR COMFORT COMES FIRST

Here at the Prince George guests enjoy the homey luxury and genuine comforts seldom found in other New York hotels. 1,000 spacious, tastefully furnished rooms, all with bath. Five famous restaurants and a cafeteria. Quiet, yet within 5 minutes of the shopping district. Low rates make the Prince George New York's most outstanding hotel value. Write for booklet NUL.

Single room with bath from \$2.50
Double room with bath from \$4.00

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at 14 East 28th Street NEW YORK 16, N.Y.
Charles F. Rogers, Jr., Manager

ACCIDENT AND HEALTH

Dies While Pushing Stalled Car; No Recovery

The Washington supreme court, in a carefully considered opinion, has held that death that overtook a man with an impaired heart, while pushing his stalled automobile a distance of about 150 feet was not an accident within the meaning of double indemnity coverage in a Metropolitan Life policy or under a Travelers accident policy. The case was Evans vs. Metropolitan Life et al.

The court said that owing to the importance of the questions involved and the bearing that this decision will have in the consideration of like cases in the future, it has made an extensive examination of the authorities and a complete analysis of the subject relating to similar contracts.

Evans was 61 years of age and apparently in good health. His death occurred July 30, 1944, at Tacoma. His car being stalled, he pushed it while Mrs. Evans did the steering. At the beginning of a descending grade, he started to get in the car but collapsed and soon died.

There was extensive medical testimony as to the condition of Evans' heart to the effect that the condition of the heart contributed to his death.

In this case, the court held, the pushing of the automobile was the means by which the injury was caused and there was nothing unforeseen, involuntary or unexpected in the act in which Evans was engaged from the time he started his car by pushing his foot on the pavement until he collapsed. There was no stumbling, slipping or falling in his movements. He engaged in pushing his automobile for his own convenience, he encountered no obstacle in doing so. He accomplished just what he intended to in the way he intended to and in the free exercise of his choice. No accident of any kind interfered with his movements, or for an instant relaxed his self-control. There was an unforeseen result of the insured's deliberate actions. The result of any action, however, cannot be considered in the determination of the question of whether there was an accident.

An accident, the court stated, is never present when a deliberate act is performed, unless some additional, independent and unforeseen happening occurs which produces or brings about the result of injury or death.

Strickler Heads Educators

LANCASTER, PA. — J. Laurence Strickler, formerly executive vice-president of Educators was elected president succeeding Dr. H. B. Work. Announcement was made at a testimonial dinner given Dr. Work on his 80th birthday anniversary. Dr. Work will continue as a director.

Harold M. Reece, formerly with Bankers Indemnity, becomes comptroller; Harold R. Diffenderfer assistant claim manager; Walter H. Mercy, formerly with Manufacturers Casualty, special field representative; Albert W. Ade, formerly with Lumbermens Mutual Casualty, secretary.

Monthly Benefit Supplement

American Life & Accident of St. Louis has brought out a supplement giving monthly benefits that may be attached to any hospital-surgical policy. For ages 18-50 the monthly benefits are \$100; 50 to 65—\$70; 65 to 90—\$50 and age 0 to 18—\$30. The benefits are payable for a period of not more than 90 days in any one year. The payments are made only during the period that the assured is hospitalized. The annual premium for an individual for these monthly benefits is \$11, for husband and wife it is \$19.25 and for each child under 18, it is \$2.75.

Cal. Governor's Fund Plan Opposed

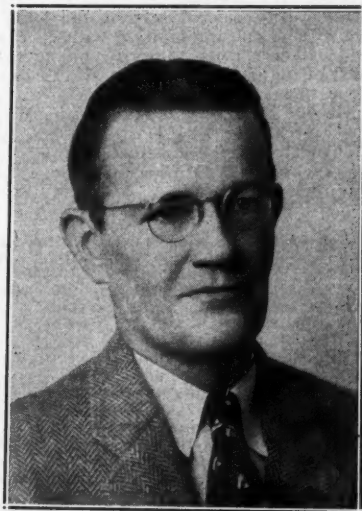
SAN FRANCISCO—Strong organized opposition already has appeared in the California legislature to Governor Warren's plan for a compulsory state health insurance act, even before the bills have been presented to the lawmakers. This is taken by some observers to mean the proposal again will be defeated.

In 1945 the governor's plan did not get out of committee but brought a compromise compulsory act which was enacted at a special session in 1946 and which became effective Dec. 1. The new law would be all-embracing and completely state fund.

Even the interim legislative committees appointed following the 1945 session to study the public health and insurance failed to agree. The assembly committee chairman, E. R. Geddes, Pomona, said proponents of such a scheme have failed thoroughly to explore its costs, and suggested state "catastrophe" coverage to meet the most expensive portion of illness—after the first costs. The speaker of the assembly, Sam Collins, started a controversy the first night of the new legislature at a meeting of Republicans and Democrats in the assembly by condemning the governor's plan as socialism. He was attacked by two Republicans who praised Warren, but others from both parties also expressed their opposition.

Penter President of New A. & H. Association

Jack H. Penter, vice-president of InsurOmedic, was elected president of the newly organized Accident & Health Claims & Underwriters Assn. at the first meeting in Dallas. Other officers



JACK H. PENTER

are: Roderick H. Channell, Channell Claims Service, and William L. Mistrot, National Bankers Life, vice-presidents; and Miss Gladys Anderson, Reserve Life, secretary-treasurer.

Substantial Gains in Inter-Ocean Report

The annual statement figures of Inter-Ocean feature substantial gains in premium income, assets and surplus.

Gross premiums in 1946 were \$2,885,438, a gain of \$194,193. Surplus reached \$1,250,667, an increase of \$72,105, and assets are \$2,198,528, up \$15,213.

Largest increase in 1946 was made in

the monthly and commercial department. Gain in premiums was \$167,657, the industrial department reported an increase of \$39,427; this in spite of two major strikes in the territory in which the company concentrates on weekly premium business.

Hear Wallace in St. Louis

Travis T. Wallace, President Great American Reserve of Dallas, will speak on "Shoot the Moon" at a luncheon meeting of the Accident & Health Underwriters of St. Louis Jan. 30.

Deston Leads Kansas Rally

Roy Deston, superintendent of field sales of John Hancock, conducted a two-

day meeting of the Kansas agency at Wichita. General Agent Lee Leavell reported 1946 the greatest year in the agency's history.

Wash. Labor Federation Sponsors Compulsory Plan

SEATTLE—The Washington state federation of labor a week before the legislature convened announced it would sponsor a compulsory state accident and health measure. It was stated details were being perfected in conference with various groups in the state federation.

Ed Weston, federation president, stated the bill would provide for protection of workers against complete loss of pay during periods of illness and off-

SUMMARY 60th ANNUAL REPORT 1946

INSURANCE IN FORCE.....	\$969,884,256
<i>(Including Deferred Annuities)</i>	
NEW INSURANCE	154,236,828
<i>(Including Deferred Annuities)</i>	
ASSETS	330,143,238
INCOME	67,950,665
CONTINGENCY RESERVE AND SURPLUS.....	16,747,416

Payments to Policyholders and Beneficiaries since the inception of the Company total \$349,223,884.

THE MANUFACTURERS LIFE COMPANY

HEAD OFFICE

TORONTO, CANADA

1887 — DIAMOND JUBILEE YEAR — 1947

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- Annuities • Hospitalization • Group
- All-Ways

BUSINESS MEN'S ASSURANCE COMPANY

KANSAS CITY, MISSOURI

W. T. GRANT
Chairman

J. C. HIGDON
President

the-job accidents. Presumably this would mean that workers covered under the monopolistic workmen's compensation act would be covered "round-the-clock" by one fund or the other.

The labor group is reasoning that the Republican-controlled legislature will pass a bill providing for merit rating of unemployment compensation coverage so that a rate as low as 1.6% could be attained by many firms instead of the present flat 2.7%. This, it is reasoned, would afford proponents of state A. & H. insurance an opportunity of asking the employer to pay a new 1/2 of 1% tax to finance the new venture. A 1% tax on workers, in the opinion of the federation and the state department of unemployment compensation, would be adequate to provide the same scale of benefits for a maximum of 26 weeks as now paid under the existing unemployment compensation law.

Linked to the A. & H. program, the federation is seeking an increase over the present \$50 per month minimum (plus additional payments for dependents) paid for total disability under the compensation act. This phase is likely to receive favorable consideration from the Republican legislature. Both Republicans and Democrats worked for an increase in compensation benefits, but got into a squabble over merit rating which resulted in the proposal being defeated.

Zone 4 Experience Call Is Held in Abeyance

Further consideration will be given by the zone 4 commissioners at their spring meeting in April or May to the matter of requiring A. & H. insurers to report premium and claims experience by policy form. There will be no requirement upon the insurers in this direction until further notice. In any event, there will be no such requirements in respect of 1946 business.

Grossman Denver Head

DENVER — Theodor A. Grossman, Federal Life & Casualty, has been elected president of Denver Assn. of A. & H. Underwriters. B. J. Bursmeyer is vice-president and David H. Stein, Pacific Mutual Life, secretary. Olaf Mauldin and C. Gale Neiwanger were elected to the executive board.

Reintroduce N. Y. Health Bill

Assemblyman Leonard Farbstein of Manhattan has introduced a bill in the New York legislature calling for compulsory health insurance with local administration of services. He said it was identical with the bill which died in the legislature last year.

Two Ind. Life Measures

INDIANAPOLIS—Two bills affecting life companies have been introduced in the Indiana house. One would authorize companies to invest from 3 to 5% of their assets in 99-year leases and to amortize long term leases at 2% a year. The other requires a director of a stock legal reserve life company to own not less than \$1,000 in unpledged shares of capital stock in which he has invested at least \$5,000.

NEW YORK

J. M. Fraser Heads N. Y. City Managers

John M. Fraser, Connecticut Mutual, was elected president of the New York City Life Managers' Assn., succeeding A. J. Johannsen, Northwestern Mutual. S. S. Wolfson, Berkshire Life, is vice-president and H. L. Wofford, Prudential, is secretary-treasurer.

R. E. Larkin, Connecticut General; W. H. Bender, Jr., National Life of Vermont; John A. McNulty, Prudential, and A. V. Youngman, Mutual Benefit Life, were elected directors.

The association also elected four committees, of which the chairmen are: Planning, L. W. Sechtman, Aetna Life; law and legislation, H. D. Josephson, Mutual Benefit Life; business practices, G. H. Young, State Mutual, and membership, M. J. Denda, Union Mutual.



John M. Fraser

NO. 1 FOR FIFTH YEAR

The S. S. Wolfson agency of New York led all Berkshire Life agencies in paid volume for 1946, maintaining this leadership for the past five consecutive years.

LONG ISLAND GROUP ELECTS

The Long Island branch of the Life Underwriters Assn. of New York elected the following officers: President, Joseph E. Kunken, Mutual Life; vice-president, Andrew V. McDonald, Metropolitan Life; treasurer, Sylvan F. Weill, John Hancock, and John D. Boglioli, Metropolitan.

Lawrence L. Lifshy, administrative vice-president of the association, spoke on "Simple Programming."

DISCUSSES CAPITAL TRANSFER

H. C. Rose, Northwestern Mutual Life, was speaker at a meeting of the Solomon Huber agency of Home Life, New York. Mr. Rose discussed the transfer of capital for insurance investment purposes.

He said that a prospect should be in the high income bracket and have a substantial part of income derived from securities and similar investments. He must have perhaps too large a proportion of his income derived from this source, requiring "hedging" of income, or he may be one who has just completed liquidating his business.

ELMER MILLER ADVANCED

Elmer Miller, on the reportorial staff of the New York "Journal of Commerce," specializing on insurance news, has been given the title of associate editor. W. S. Crawford is insurance editor. He has been in this work for many years.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

ASSOCIATIONS

Life Men Pay Tribute to Past Presidents at Boston

BOSTON—Four hundred attended the January luncheon of the Boston Life Underwriters Assn. to pay their respects to past presidents of the organization and to listen to Fred H. White, president of the Buffalo association, leading Connecticut Mutual salesman.

Mr. White credited his success largely to direct mail and telephone appointments. He never calls on a prospect without having a previous appointment and after years of work has come to the conclusion he is better off confining his soliciting to daytime hours and eliminating entirely evening work. In the past two years he has written \$250,000 annually by direct mail alone.

Charles W. Gammons, National Life of Vermont, who was president of the Boston association in 1900, headed the list of ex-presidents present. The others were Clinton A. Ferguson, State Mutual, 1924; Edward I. Brown, Phoenix Mutual, 1926; David E. Sprague, Union Mutual, 1928; Harold P. Cooley, New England Mutual, 1933; Simon D. Weissman, 1934; George Paul Smith, State Mutual Life, 1939; McKinley H. Warren, Phoenix Mutual, 1944; Montague P. Ford, 1945, and William H. Daley, John Hancock Mutual, 1946.

Four offices reported 100% membership, the Hyde Park agency of John Hancock; Cantor agency of Fidelity Mutual; Hammer agency of Provident Mutual, and Fowler agency of Union Central Life.

Announcement was made of a two-day elementary insurance course Feb. 11-12, on business insurance, divided into theoretical fundamentals and salesmanship. Members also were urged to enter into the national equality award contest.

Advocates World Organization

Speaking before the January meeting of the Detroit Life Underwriters Assn., George Avery White, president of State Mutual Life, said: "Only by the building of a world organization with checks and balances, with authority and methods of adjudicating disputes, can we hope to maintain world peace."

George E. Lackey, Massachusetts Mutual, presented a C.L.U. diploma to Lillian Hogue, the fourth woman in the 20-year span of American College to win the award.

Los Angeles — President Philip B. Hobbs of N.A.L.U. spoke on "Outlook for 1947."

He said California now has the third largest membership in the National association. He reviewed its various activities.

Russell L. Hoghe, Equitable of Iowa, spoke on the membership drive of the association, and predicted that by the end of the year Los Angeles will have a membership in excess of 1,200.

The women's division, with Miss Sophia Bliven in charge, had as speakers Miss Mary Labella, Manhattan Life, and Mrs. Elinore Greene, Beneficial Life.

President Hobbs also addressed the Long Beach association.

Green Bay, Wis.—R. M. Vetter, Madison, Wis., general agent for Continental Assurance, spoke on "Cooperative Selling" at the January meeting of the Northeastern Wisconsin association. Program chairman, George W. Bleimel, New York Life, presided.

Wausau, Wis.—Activities of the Wisconsin association, particularly with reference to assisting veterans with postwar problems such as continuing or reinstating National Service Life Insurance, were outlined at the Wisconsin Valley association meeting by Richard Imig, New York Life, Sheboygan, state president.

Harrisburg, Pa.—Herbert Smith, Northwestern Mutual, and J. Harry Hunt, Metropolitan, have been named directors to fill unexpired terms.

Pittsburgh — Charles J. Zimmerman, L.I.A.M.A., addressed a luncheon meeting.

Buffalo—Industrial-ordinary day will be observed Feb. 13. On the program are Gomer G. Lesch, Prudential, "Industrial Insurance — a Social Service"; Adolph H. Klein, John Hancock, "Selling Ordinary on the Debit," and Carl W. Boltz, agent, Metropolitan Life, "It's the Same Business."

Beloit, Wis.—R. L. Joiner, Bankers Life, president Southern Wisconsin association, and Harold Pettengill, New York Life, state association secretary, reported on a state conference in Milwaukee of state and local officers at which plans for statewide coordination of activities were formulated. J. P. Thomas, National Guardian Life, has been named chairman of the committee sponsoring showings of the film, "Search for Security," before service clubs and other groups.

Nashville, Tenn.—Hilbert Rust, R. & R. Service, spoke on "Gearing Life Insurance Into the Current Economic Picture." Plans were discussed for the annual membership drive and the sales congress. More than 200 attended.

Portland, Ore. — Philip B. Hobbs, N.A.L.U. president, addressing a luncheon meeting, advocated free government insurance while in uniform for the peacetime army and navy, and NSLI amendments to restrict its benefits to individuals having policies already in effect and to those eligible for such insurance by virtue of past service.

The free coverage to those in active service would stop invasion of the private insurance field, and eliminate much confusion.

Springfield, Mass.—W. E. Jones, director of publications for N.A.L.U., will be the speaker at the luncheon meeting Feb. 3.

Central California—Leadership certificates were presented to 24 San Joaquin Valley agents who led their agencies last year. M. G. Mattos, New York Life, received special tribute as leader of his company for 1946.

Fred A. McMaster, Los Angeles, general agent of Ohio National, a million dollar producer, spoke.

Cleveland—"The best way to insure Cleveland's future and your own is by helping to build this community, and by going out and selling the product which you're helping to build," Elmer L. Lindseth, president of Cleveland Electric Illuminating Co., said at a luncheon meeting.

Honorary memberships in the Cleveland association were awarded to four civic leaders, including Mr. Lindseth. The others are Walter I. Beam, executive vice-president Cleveland Chamber of Commerce; Prof. Thomas M. Dickerson, dean of Cleveland College school of business administration, and Thomas L. Sidlo, chairman of Northern Ohio Opera Assn.

Miss Ruth M. Kelley, Manhattan Life, Detroit, newly elected chairman of the women's quarter million dollar round table, addressed the Cleveland women life underwriters on "The Tape Measure of Success."

Recognition was given to the Cleveland women qualifiers of the 1947 women's round table—Mrs. Ella Long, Mrs. Sophie B. Reich, Mrs. B. Ruth Loeb, Miss Jean Whitfield and Miss Helen L. Rockwell; also to the women who won the national quality award—Mrs. Agnes Lucas and Mrs. Ruth B. Loehr, and Miss Ethel Wood, only Cleveland woman to hold the C.L.U. designation.

Salina, Kan.—Richard J. Surfa, Farmers & Bankers Life, discussed the C.L.U. program at the January meeting.

GROUP SUPERVISOR

Aggressive major insurance company needs Group Supervisor for Kansas City and surrounding territory. Will headquarter in Kansas City. Position pays substantial salary, bonus and expenses. Opportunity for excellent earnings and advancement. Our Group people know this advertisement. If your group position limits your earnings, then all means answer this ad. Address K-26, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Young man with sales experience in general and life insurance fields to expand existing insurance department in large real estate and mortgage banking firm. Address K-26, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

GROUP SUPERVISOR WANTED

Experienced man desired immediately as group supervisor for Ohio. Substantial salary, bonus, expenses.

Please give complete educational and business background. Address G-15, National Underwriter, Room 1103 at 99 John Street, New York 7, N. Y.

FINANCIAL SIDE

Mass. Companies Plead for Real Estate Outlet

Massachusetts companies at a legislative hearing strongly advocated enactment of the bill permitting investment of up to 7% of assets in real estate with a ceiling of 1% of assets on any one parcel. The opposition of Commissioner Harrington was communicated to the committee.

Committee Chairman Innes indicated that the committee might recommend a 3% aggregate limit and a .25% limit on one parcel. This is the New York allowance. The Massachusetts bill provides for writing down the book value 1% a year. In New York it is 2%.

Ralph A. Armstrong, Massachusetts Mutual, said "We'd like to get on the band wagon so to speak, with companies of other states, on a conservative basis." John Barker, Jr., New England Mutual, said that the Massachusetts companies need the legislation to compete with those of other states.

I. T. F. Ring and D. W. Campbell, State Mutual, said real estate investments must be made to maintain policy dividends.

Gerhard Bleicken, John Hancock, said today insurers could buy unsecured debentures of commercial firms and would be relying only on the credit of the borrower. Under the putative legislation the insurer could buy a building and lease it to the firm and would have the double security of the lessee's credit and its own ownership of the building.

The Massachusetts companies also endorsed the bill permitting investment in bonds of the International Bank, but James E. Curry said Commissioner Harrington counsels caution.

Bonwit Teller Property Purchased by Equitable

NEW YORK—Equitable Society has bought the Bonwit Teller store building at Fifth avenue and 56th street, New York City, for \$6,250,000. The New York law was amended last year to permit life companies to purchase and hold income properties for investment. According to real estate men the price is the highest price per square foot ever known to have been paid for a large Fifth avenue property. The rate works out to \$275 a square foot. Fifth avenue properties are currently heavily in demand.

With an insurance company owning the property, a store's management can free its real estate investment and use it for business expansion. Gossip among New York real estate men is that the life companies are planning to put some \$30 million into Fifth avenue real estate. Prudential has already acquired a large property and Metropolitan recently got a long term lease on a piece of real estate on which it will erect a building.

Prudential Buys \$15 Million Notes

NEW YORK—An issue of \$15 million in sinking fund notes, maturing between 1952 and 1967, has been privately placed with Prudential by Burlington Mill Corp. Proceeds will be added to the corporation's working capital.

Gros Has 2 U. S. Leaders

The Jeff Gros agency at Memphis produced the No. 1 and No. 2 producers nationally of State Mutual Life.

Lloyd Ramsey was No. 1 and Isaac Loskove was second. Also Oscar Hurt, Jr., was fifth nationally. All three are members of the Million Dollar Round Table.

The Gros agency stood second in State Mutual last year.

Penn Mutual Proceeds Cautiously in Private Lending

Speaking before the American Assn. of University Teachers of Insurance, William W. Bodine, financial vice-president of Penn Mutual, said there is plenty of business for all life insurance companies in the field of private lending, but over-aggressive solicitation may endanger public relations, and companies must take care to be quite selective and make screening prompt and thorough. "We do not take the time of the prospective client unless the answer is a tentative 'yes' after which examination is thorough with both respect to the business, the management and financial position of the company."

Mr. Bodine said that three years ago Penn Mutual decided to enter the field of private lending without diving in head first, so they let it be known to friends in business, in the commercial banks, and in investment houses, principally in Philadelphia, that they had equipped themselves to enter this field on a modest scale. This was done on the theory that while some managements might prefer to discuss their entire financing direct with one lending institution, there are others who consider it desirable to combine the short and long term borrowings with their normal commercial banking connections and that there were many companies of moderate size to whom private borrowing might be more advantageous than public offering of securities to underwriters, but who would want to be represented by an investment house.

Penn Mutual has done no direct advertising of its private lending, nor has it traveled the country nor opened branch investment offices, but an increasing number of inquiries have come to the company direct. Mr. Bodine said the gospel has been spread through Penn Mutual real estate mortgage supervisors and correspondents. The company has pointed out to general agents in industrial areas the desirability of interchange of information. He said that with the decrease in volume of smaller residential and business mortgages and growth of larger mortgage loans to industrial and commercial enterprises, the company has felt that mortgage and corporate lending activities could well be correlated. To this end some mortgage loan men are being trained in details of corporate

loans with a view to their acting as field supervisors in both capacities.

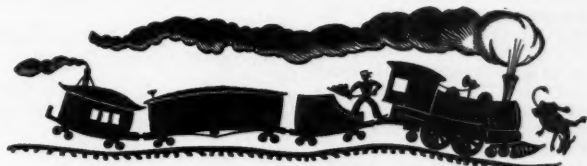
Publish T.W.I. Booklet

The texts of two addresses given at the training within industry seminar at the annual meeting of Life Insurance Agency Management Assn. have been published in booklet form for L.I.A.M.A. members. The talks are those of Leland C. Tallman, educational director Cali-

fornia-Western States Life, and Fred W. Gusweiler, superintendent of agencies Union Central Life. Both review experience with TWI training in those companies.

App-a-Week for 7 Years

Greg O'Shea, agency director of the Mississippi Valley branch of North American Life of Chicago at St. Louis, has completed seven years in the app-a-week club.



It's Full Steam Ahead for '47

January 30 and 31st found Fidelity Life Association sales representatives meeting at Fulton, Illinois, for their annual Sales Conference and taking special advantage of the best life insurance training talent the nation could offer. While at the conference, they heard news, not only of interest to themselves and their clients, but to the entire life insurance world. But more about that later.

With the newest life insurance services now available in their sales kit, F.L.A. representatives have been given the signal—"Full Steam Ahead"—and are literally ready to burn up the tracks in '47.

FIDELITY LIFE ASSOCIATION, FULTON, ILLINOIS



51st Year Of Distinguished Life Insurance Service



Tired Hands Must Toil



Earnings for ten years have averaged \$250 per month — monthly Social Security Pension is \$44. He must retire to get this pitiful retirement income.

Fear of forced retirement with only a Social Security Pension blights his happiness.

A modest additional pension in The Maccabees would have removed the fear of dying too soon or living too long.

The MACCABEES
LEGAL RESERVE INSURANCE

5057 WOODWARD AVENUE DETROIT 2, MICHIGAN



LEGAL RESERVE FRATERNALS

Mich. Fraternal Congress Elects New Officers

New officers of the Michigan Fraternal Congress are Joseph Reault, Macabees, president; Mrs. Olive Woller, Protected Home Circle, first vice-president; John G. Kirsh, Aid Assn. for Lutherans, second vice-president; Mrs. Nettie Steinhurst, Royal Neighbors, third vice-president; Mabel Clare Ladd, Gleaner Life, secretary; Mrs. Valeria Colombatto, Royal League, treasurer.

Trustees are Mrs. Ethel Hayford, Woman's Benefit Assn.; Sam E. Noton, Lutheran Brotherhood, and Peter D. Bartholomew, Catholic Order of Foresters.

At the quarterly meeting, Forrest Wiswell, Protected Home Circle, reported for the membership committee that 29 fraternal societies are now members of the congress. Mr. Reault, as chairman of the legislative committee, reported on public relations activities. Lillian Jacob, Ladies of the Amaranth, retiring president, automatically became junior past president.

FEMININE WISDOM IN 28 WORDS

Women are constantly being accused of being on the talkative side. Be that as it may—one woman, a member of Royal Neighbors of America, was brevity personified when she required only 28 words to express the following bit of wisdom:

"I value my membership in Royal Neighbors of America because of the lessons it teaches, the protection it offers, and the social benefits which are derived from it."

Yes, this sums up the service of Royal Neighbors of America. But the story of its neighborly principles, the suffering alleviated by its whole family life insurance and the fellowship of its 6,000 lodge rooms—a story that is almost 52 years old—would require volumes to tell.

ROYAL NEIGHBORS OF AMERICA

SUPREME OFFICE, ROCK ISLAND, ILL.

Claims Paid
Since
Organization
\$50,893,078

SUPREME FOREST
WOODMEN CIRCLE
Omaha, Nebraska

Modern Woodmen Records Good Gains in 1946

Modern Woodmen reports total new business for 1946 of \$44,828,133, including adult and junior. There was a net gain of \$9,048,258 in insurance in force and a membership gain of 7,337 for the year.

Adult and junior permanent forms (excluding junior term) written totaled \$33,965,633, a 67% increase. The permanent form business showed an increase of \$13,684,617 over 1945, while the total business increase was \$15,193,117.

Total insurance in force is \$527,512,556. A gain of \$7,583,919 in assets was reported.

Best personal producer was J. H. Ryan, Providence, with \$694,800, with Harry H. Hoffman, Rock Island, in second place with \$612,028.

Becomes Gleaner Executive

Gleaner Life has appointed William Hayward assistant secretary treasurer. Mr. Hayward has been assistant cashier of the Wayne-Oakland Bank of Royal Oak, Mich. for 14 years. He has been a member of the Royal Oak commission since 1940 and since 1945 has been mayor.

Two Veterans Retire

Modern Woodmen has retired two veteran state managers, P. H. Willadsen, Sioux Falls, and V. J. Barnes, Staunton, W. Va.

Hugh A. Hamilton, Sioux Falls, who has been in charge of North Dakota for the past year, becomes South Dakota manager as well. Charles Bain, Roanoke, takes on the Barnes' territory which includes 11 counties of Virginia. He has been manager of the bulk of Virginia since 1938.

Mr. Willadsen began with Modern Woodmen as a district manager in Iowa in 1910. He was named South Dakota manager in 1920. From 1938 to 1946 he was also in charge of North Dakota.

Mr. Barnes started as a district manager in 1913 in Ohio. He assumed charge of West Virginia in 1920. In 1937-38 he was also Virginia manager.

Bill to Convert Fraternal

NASHVILLE—A bill which has been passed third reading in the senate and second reading in the house would permit the conversion of any solvent domestic fraternal to a mutual or stock life insurance company.

Maccabees Wrote \$46,357,531

New business written by Maccabees during 1946 was \$46,357,531. Incomplete reports indicate insurance in force now stands at \$274,900,000, an increase of \$16,190,186. Assets approached \$71,500,000, an increase of \$5 million. Total benefits paid during the year were \$5,290,162. Total benefits since organization amount to \$273,949,253.

New ordinary business of Unity Life & Accident, Syracuse, in 1946 totaled \$10,447,154, as compared with \$7,227,300, an increase of \$3,219,854.

Wash. Code Offered With Last Minute Changes

SEATTLE—Washington's proposed new insurance code was introduced as senate bill 47 by Senator V. R. Lee, prominent local agent of Chehalis, and was referred to the insurance committee, of which Lee is chairman.

The section referring to the election of the insurance commissioner had been changed to provide for making the office non-partisan. At present both parties nominate a candidate.

NEWS ABOUT LIFE POLICIES

1947 Dividend Actions Are Summarized

Herewith are listed the companies that have made announcements regarding 1947 dividend schedules and rate of interest to be paid on funds left with the company.

Unless otherwise noted, the dividend schedules for 1947 are the same as for 1946.

Name of Company	Funds left with company (guaranteed rate is paid if higher than that shown)	Non-withdrawable	Withdrawable	Accum. Dividends
Aetna	3.0	3.0	3.0	3.0
Amer. Home, Ia.	3.0	3.0	3.0	3.0
Amer. Home, Kan.	2.5	2.5	3.0	3.0
Bankers, Ia.	3.0	3.0	3.25	3.0
Bankers Mutual	3.0	3.0	3.0	3.0
Bankers National	3.0	3.0	3.0	3.0
Bankers Union	3.5	3.5	3.5	3.5
Beneficial	2.0	2.0	2.5	3.0
Boston Mutual	2.5	2.0	2.5	2.5
California-Western	2.5	2.0	2.5	2.5
Central, Ia.	3.0	3.0	3.0	3.0
Central, Kan.	2.5	2.5	2.5	2.5
Central, O.	3.5	3.5	3.5	3.5
Columbia Mut., Ia.	3.0	3.0	3.0	3.0
Columbus Mutual	3.0	3.0	3.0	3.0
Confederation	3.5	3.5	3.5	3.5
Conn. General	3.0	3.0	3.0	3.0
Conn. Mutual	3.25	3.25	3.25	3.0
Constitution	2.5	2.0	2.5	2.5
Conti. American	3.0	3.0	3.0	3.0
Continental, Ill.	3.0	2.5	3.25	3.25
Cuna Mutual	2.5	2.5	2.5	2.5
Equitable, N. Y.	2.75	2.0	3.0	3.0
Equitable, Ia.	3.0	3.0	3.0	3.0
Express Mutual	2.5	2.0	3.0	3.0
Federal	2.5	2.0	3.0	3.0
Fidelity Mutual	3.0	3.0	3.0	3.0
Fidelity Union	3.0	2.5	3.5	3.5
Girard	3.0	3.0	3.0	3.0
Gov't Personnel Mut.	3.5	3.5	3.5	3.5
Great National	3.0	2.5	3.0	3.0
Great Northwest	3.0	3.0	3.0	3.0
Great Southern	2.5	2.0	3.0	3.0
Great-West	3.5	3.5	3.5	3.5
Guarantee Mut.	3.0	3.0	3.0	3.0
Guaranty Income	3.0	3.0	3.0	3.0
Guardian Int.	3.0	2.5	3.0	3.0
Guardian	3.0	3.0	3.0	3.0
Home, N. Y.	3.0	3.0	3.0	3.0
Imperial, Can.	3.15	3.15	3.15	3.15
Jefferson Natl.	3.0	3.0	3.0	3.0
Jefferson Stand.	5.0	5.0	5.0	5.0
John Hancock	3.0	3.0	3.0	3.0
Lincoln Lib.	3.0	3.0	3.5	3.5
Lincoln Mut.	3.0	2.5	3.5	3.5
London Life	3.5	3.5	3.5	3.5
Loyal Prot.	3.25	3.25	3.25	3.25
Lutheran Mut.	2.5	2.5	3.0	3.0
Maccabees	3.0	3.0	3.0	3.0
Manhattan Mut.	3.5	3.5	3.5	3.5
Manufacturers	3.0	3.0	3.0	3.0
Midland Mut.	2.5	2.5	3.0	3.0
Midwest	3.0	3.0	3.0	3.0
Modern	2.5	2.0	2.5	2.5
Modern Woodmen	3.0	3.0	3.0	3.0
Monarch, Canada	3.0	3.0	3.0	3.0
Mutual Benefit	3.15	3.15	3.15	3.15
Mutual, Can.	3.5	3.5	3.5	3.5
Mutual, N. Y.	2.5	2.5	2.5	2.5
National Guard	2.5	2.5	3.25	3.25
National, Ia.	3.5	3.5	3.5	3.5
National, Vt.	3.3	3.3	3.3	3.3
National Res.	2.5	2.5	3.0	3.0
New England Mut.	3.25	3.25	3.25	3.25
North Amer. L. & C.	3.5	3.5	4.0	4.0
N. C. Mutual	2.5	2.0	3.0	3.0
Northern, Can.	3.0	3.0	3.0	3.0
Northern, Wash.	3.0	2.0	3.5	3.5
Northwestern Mut.	3.0	3.0	3.0	3.0
Ohio National	3.0	2.5	3.0	3.0
Old Line	3.0	2.5	3.0	3.0
Pacific Mutual	3.0	3.0	3.0	3.0
Pan-American	3.0	2.5	3.0	3.0
Penn. Mutual	3.0	3.0	3.0	3.0
Philadelphia	2.5	2.5	2.5	2.5
Phoenix Mut.	3.5	3.5	3.5	3.5
Pres. Ministers	4.0	4.0	4.0	4.0
Provident Mut.	3.25	3.25	3.0	3.0
Prudential	2.75	2.75	2.5	2.5
Reliance	3.0	3.0	3.0	3.0
Reliance Mut.	3.0	2.5	3.0	3.0
Republic National	3.0	3.0	3.0	3.0
Savings Bank, Conn.	3.0	3.0	3.0	3.0
Scranton	2.5	2.5	2.5	2.5
Security L. & A.	3.25	3.25	3.25	3.25
Security L. & T.	3.0	3.0	4.0	4.0
Service Life	3.0	3.0	3.0	3.0
Shenandoah	3.0	2.5	3.5	3.5
Standard, Ind.	3.5	3.5	3.5	3.5
State Farm	3.5	3.5	3.5	3.5
State Mutual	3.0	3.0	3.0	3.0
iSun, Md.	3.0	3.0	3.0	3.0
Sunset	3.0	3.0	3.0	3.0
Teachers	2.0	2.0	2.0	2.0
Union Central	2.5	2.5	2.5	2.5
Union Labor	2.5	2.5	2.5	2.5
Union Mutual	3.0	3.0	3.0	3.0
U. S. Gov't	3.0	3.0	3.0	3.0
Webster	3.5	3.5	3.5	3.5
West Coast	2.0	2.0	2.5	2.5
Western Reserve	3.5	2.5	3.5	3.5
Woodmen Central	3.0	3.0	3.0	3.0
Woodmen of World	2.5	2.5	2.5	2.5
World	2.5	2.5	2.5	2.5
*Increased.				
†Revised.				
‡Reduction.				
§Same to March 31.				
¶Group 2% increase.				
||Modified scale for policies with disability benefits withdrawn.				
||Same except retirement annuities.				
||Reduction but no change in dividends on retirement annuity contracts and premium-paying industrial policies.				
cSame to June 30.				
dSame for policies issued at rates adopted Sept., 1945; revised scale on older forms.				
eSame for policies having anniversaries in Jan. and Feb., 1947.				
fSame for policies issued since Feb. 1, 1942.				
gMinor changes.				
hNot less than 2 1/2%.				
iVoluntary dividends.				
jSame to May 31.				
kNo change to July 1.				
lDepends on reserve basis.				
mOptions involving life contingencies guaranteed rate.				
nGuaranteed rate.				

Farmers Life Now on C.S.O. Table

Farmers Life of Des Moines has switched to the commissioners standard ordinary table as of Jan. 1. The company also is issuing new policies for 30-year endowment, paid up at 65, term to 65 and three new annuities. Extended insurance values are based on 100% mortality and juvenile policies full benefit at age three.

Annual premiums for \$1,000 ordinary

THE PRAETORIANS

Adult and Juvenile Policies on the Easy Monthly Payment Plan, giving one the opportunity to budget his Life Insurance protection along with his other monthly bills.

LEGAL RESERVE FRATERNAL INSTITUTION

Organized in 1898

Forty-Seven Years of Insurance and Fraternal Service

Home Office—Praetorian Building—Dallas, Texas

20-pay and 20-year endowment are shown below, with dividends.

Age	Ordinary Life	20-Pay Life	20-Yr. End.
10	\$14.58	\$24.73	\$48.86
15	16.21	27.00	49.21
20	18.20	29.56	49.68
25	20.64	32.46	50.32
30	23.68	35.77	51.23
35	27.50	39.60	52.57
40	32.34	44.10	54.54
45	38.58	49.53	57.50
50	46.69	56.32	61.97
55	58.22	66.10	69.77
60	73.81	79.49	81.54

Age	2nd Yr.	5th Yr.	10th Yr.	15th Yr.	20th Yr.	20-Yr. Total
10	\$2.13	\$2.79	\$4.02	\$5.35	\$6.53	\$1.85
15	2.47	3.26	4.67	6.04	7.04	2.58
20	3.08	3.94	5.26	6.45	7.53	3.03
25	3.73	4.55	5.81	6.95	8.01	3.62
30	4.29	5.11	6.34	7.47	8.63	4.21
35	4.88	5.66	6.91	8.17	9.49	4.86
40	5.43	6.24	7.66	9.10	10.53	5.51
45	6.06	6.86	8.24	9.81	11.25	6.21
50	6.86	7.82	9.48	11.10	12.45	7.11
55	8.03	9.15	10.44	13.61	15.52	8.52
60	9.03	10.15	12.04	13.61	15.52	8.52

Age	2nd Yr.	5th Yr.	10th Yr.	15th Yr.	20th Yr.	20-Yr. Total
10	\$2.39	\$3.19	\$4.63	\$6.08	\$7.33	\$2.06
15	2.73	3.67	5.23	6.58	7.74	2.41
20	3.34	4.32	5.76	7.02	8.10	2.96
25	3.98	4.87	6.25	7.44	8.45	3.51
30	4.63	5.42	6.73	7.88	8.86	4.06
35	5.10	5.93	7.21	8.40	9.37	4.53
40	5.63	6.51	7.87	9.12	9.95	5.00
45	6.12	7.09	8.67	9.99	10.53	5.47
50	6.86	8.09	9.67	10.99	11.53	6.21
55	8.03	9.28	10.40	12.17	13.35	7.41
60	9.03	10.40	12.17	13.35	13.80	7.86

Age	2nd Yr.	5th Yr.	10th Yr.	15th Yr.	20th Yr.	20-Yr. Total
10	\$2.88	\$3.93	\$5.70	\$7.38	\$8.71	\$11.23
15	3.15	4.18	6.08	7.57	8.76	11.82
20	3.67	4.80	6.41	7.76	8.82	12.47
25	4.24	5.26	6.75	7.96	8.91	13.16
30	4.76	5.70	7.08	8.20	9.03	13.81
35	5.27	6.14	7.45	8.57	9.24	14.36
40	5.73	6.60	7.98	9.14	9.55	14.83
45	6.23	7.20	8.20	9.75	10.11	15.33
50	6.86	7.93	8.20	10.40	10.73	15.83
55	7.53	8.60	8.20	11.10	11.37	16.33
60	8.20	9.36	8.20	11.80	12.03	16.83

Lamar Increases Rates on Higher Premium Forms

Lamar Life has increased the premiums for its higher premium forms. Unaffected are such plans as preferred risk ordinary life, Anticipator-life expectancy, term, and lower ages of various other plans. Examples of the new rates follow:

Age	Endowment	20 Pay	20 Year	Ret. Sec.	Opt. 25
15	13.77	22.67	43.86	19.53	34.31
20	15.32	24.96	44.15	22.69	34.53
25	17.22	26.76	44.54	26.83	35.78
30	19.87	29.50	45.01	32.73	35.36
35	23.09	32.94	46.08	40.12	36.41
40	27.54	37.11	47.78	50.79	38.35
45	33.37	42.20	49.99	67.07	41.40
50	41.28	48.72	54.08	94.80	46.02
55	52.13	57.62	60.49	148.88	53.15
60	66.73	69.76	70.80	....	....

Here Are New Basis Rates for National Guardian

In National Guardian's new rates and values based on the CSO mortality table and interest at 2½%, premiums are lower at younger ages, higher at older ages. Cash values have been increased materially and except for a few forms at the younger ages are payable at the end of the first or second year. Rates for retirement and immediate annuities remain unchanged.

Following are illustrative annual premiums:

Age	Life Paid	Pref. Risk	20 Pay	20 Year	Inc. End.
15	15.08	14.92	26.69	46.68	22.64
20	17.26	16.85	29.36	47.47	26.33
25	19.94	19.21	32.36	48.51	31.07
30	23.25	22.15	35.64	49.89	37.20
35	27.07	25.84	39.43	51.79	45.46
40	31.92	30.53	43.89	53.94	57.14
45	38.19	36.56	49.27	56.87	74.64
50	46.40	44.41	55.99	61.29	101.75
55	57.35	....	64.76	68.05	....
60	72.28	....	76.74	78.43	....

Farewell for Koehn

Richard P. Koehn, recently promoted from Milwaukee manager of New York Life to assistant superintendent of agencies for the western district with headquarters at St. Louis, was given a farewell luncheon by the Milwaukee agency at the Milwaukee Athletic Club. The occasion also marked a welcome to Vernon V. Van Leuven, former Denver manager, who is succeeding Mr. Koehn at Milwaukee.

AGENCY NEWS

San Francisco Agency Is Connecticut Mutual Leader

The San Francisco agency of Connecticut Mutual Life is the winner of the president's organization trophy, offered each year for the best record in agency development. President Peter M. Fraser presented the bronze plaque to General Agent Edward H. Dieckhoff at the general agents conference in Hollywood, Fla.

Mr. Dieckhoff has been at San Francisco since 1943 and in this time the annual production of the agency multiplied eight times. He was formerly general agent at Denver.

Plaques for the four runners-up went to Baltimore, Thomas W. Harrison, Jr., agency; Portland, Ore., C. F. Merrifield agency; Los Angeles, Phineas Prouty, Jr., agency; and Grand Rapids, Herbert C. Remien, agency.

George F. B. Smith, vice president in charge of agencies, presented certificates for outstanding persistency records to eight general agents: Herbert C. Remien, Grand Rapids; John M. Fraser, New York; Moss & Moss, Louisville; Vernon S. Mollenauer, Philadelphia; Kenneth W. Jacobs, Milwaukee; D. Conrad Little, Richmond; Philip F. Howerton, Charlotte, and William T. Beaty, Raleigh.

Prouty Receives Plaque

Phineas Prouty, Jr., Los Angeles general agent of Connecticut Mutual Life, has received a bronze plaque for "an outstanding record in organization development." He has won similar awards three times previously. Business placed by the agency in 1946 was 78% above 1945. It is now in second place.

RECORDS

UNION MUTUAL LIFE—Paid business for December showed a gain of 98.7% over the previous December. The gain in new paid business for 1946 was 38.5%, substantially greater than that of any comparable period in company history.

MANHATTAN LIFE—Paid 1946 business including revivals, was \$36,984,007, an increase of 42.5% over 1945. Insurance in force increased during 1946 by \$28,107,637, or 19%. Total insurance in force Dec. 31, was \$176,419,661.

OHIO STATE LIFE—Paid business in 1946 was more than \$27 million, 53% greater than that of 1945, and almost twice as much as 1943. Insurance in force reached \$166,331,522, a gain of more than \$19 million.

Northern. Can., Buys Building

Northern Life of Canada has purchased a building in London, Ont., for \$300,000 which will be renamed the Northern Life building and house the home office.

Progressive-Quaker City Life of Philadelphia has changed its name to **Quaker City Life** and increased its authorized capital from \$100,000 to \$300,000.

Pierce Insurance Co., Los Angeles, formerly a chapter 9 company, but now an old line legal reserve company, has been given authority by Commissioner Garrison to repay \$11,000 to wipe out all the contribution certificates now outstanding.

Industrial Life and Health has designated February as president's month in honor of President John N. McEachern and is calling upon its agency force to produce record new business. Mr. McEachern celebrates his 48th birthday and his 33rd year with the company on Feb. 22.

Indianapolis—"Life underwriters who adhere to ethics of their profession never fear an economic slump," Hugh S. Bell, Equitable of Iowa, Seattle, said.

Fifty members of the Purdue University school of life insurance marketing attended the luncheon.

Professors Reelect Kulp, Award Sawyer Literature Prize at Philadelphia

(CONTINUED FROM PAGE 1)

ing and the members are optimistic that the problems will eventually be solved.

With smaller college enrollments giving insurance courses their greatest boom, the teachers, for the first time in several years, devoted a session to curricula and training programs. Deans H. J. Loman of American Institute for Property & Liability Underwriters and David McCahan of American College of Life Underwriters opened the meeting with a discussion of a minimum program for college training in insurance, followed by H. P. Gravengaard, associate editor "Diamond Life Bulletins Agents Service" of THE NATIONAL UNDERWRITER. James Elton Bragg, New York, manager Guardian Life and Dean Ackerman were commentators on these talks. Dr. Bowers presided.

The afternoon session was devoted to new areas in life insurance investment, with C. L. Benner, vice-president Continental American Life, in the chair, G. S. Van Schaick, vice-president New York Life and former New York superintendent, talked on housing. W. W. Bodine, financial vice-president Penn Mutual, on private lending and R. F. Maine, financial secretary Provident Mutual, on common stocks. The commentators were Prof. D. T. Rowlands, University of Pennsylvania; H. N. Chapin, vice-president Massachusetts Mutual, and Prof. G. W. Hoffman, University of Pennsylvania.

Sawyer Dinner Speaker

Judge Sawyer was the dinner speaker, on the subject of meeting the problems of insurance as interstate commerce. Dr. Dickinson made the presentation immediately after Judge Sawyer's speech.

Dr. S. S. Huebner, University of Pennsylvania, first president of the association, was toastmaster. He announced that, with the exception of Dr. Robert Rigel, University of Buffalo, all the past presidents were on hand. They were Dr. Ralph Blanchard, Columbia University, and Drs. Loman, McCahan, Bowers and Dickinson. Dr. Huebner also introduced Ralph Alexander, deputy Pennsylvania commissioner, who brought the greetings of Commissioner Malone. Mr. Alexander pointed out that Pennsylvania was the first state to require an insurance agent's license examination.

First Casualty Winner

Judge Sawyer was the first person to win the Wright prize for a book which has primarily concerned fire and casualty insurance men. The two previous winners were M. E. Davis, Metropolitan Life, and A. N. Guertin, American Life Convention. Although Mr. Guertin was also the dinner speaker last year, it can be stated positively that this was only a coincidence, as the executive committee

did not vote Judge Sawyer the award until noon of that day.

Dr. Kulp announced that next year's meeting will be with American Statistical Assn., in the middle west, probably Chicago, and that very likely the association will resume its pre-war custom of meeting in December.

Sawyer Asks Impartial Study

Mr. Sawyer, in his talk, covered much the same ground that he has been covering in his numerous speeches on the public law 15 situation, except that in concluding he said that whether the business knows it or not, it needs a comprehensive study of the problems of insurance as interstate commerce, "conducted by capable and wholly impartial individuals not financed by insurance funds."

The sole object should be to discover and report unbiased truth. Such a study and report, he declared, would possess inherent merit as to influence insurance thinking for many years to come. He suggested that the logical instrumentality to handle such a task is the university teachers association.

There is little evidence of abandonment of self-interest as the major factor in the deliberations of insurance people and hence decisions must be compromises of conflicting views often compromises between two views, neither of which is correct, he said.

MINIMUM PROGRAM

The scholarly and thorough discussion of a minimum program for college training in insurance was the joint work of Drs. Loman and McCahan and the two deans of insurance field education institutions alternated in reading it. Dr. Loman spoke first, pointing out that modern business, including insurance, has outgrown the idea that the knowledge needed to function efficiently can and should be learned on the job. From the original limited courses in economics in liberal arts colleges there evolved the modern schools of business administration and Dr. Loman emphasized that an insurance program can be fitted into these curricula with little difficulty.

Since most schools of business administration require two years of liberal arts, followed by two years of business subjects, for a degree, Dr. Loman explained that the recommended insurance program was set up on the same basis and his and Dr. McCahan's proposals embrace 60 semester hours, to be taken during the last two years. Actually, the recommended course is slightly longer, with the suggestion that English composition, public speaking, economic prin-

FULL SPEED AHEAD IN 1947

Many Woodmen field men who enrolled more members and wrote more life insurance protection in 1946 than ever before, give much credit to the society's "Fraternity in Action" program for their success. They are prepared to go full speed ahead in 1947 to achieve an even better record.

WOODMEN OF THE WORLD

Life Insurance Society
OMAHA, NEBR.

ciples and American government be taken as liberal arts subjects, which is permissible in most schools.

On this basis, Dr. Loman divided the

proposed curriculum into three parts—a "common core" of business studies, desirable additions to this "core" and advanced studies in either property and casualty or life insurance.

The "common core" courses, Dr. Loman explained, should be principles of economics, principles of accounting, American government, commercial law, organization and management, money and banking, corporation finance, English composition, economic problems, public speaking, advanced business law and principles of insurance. He commented on each at some length.

Other Desirable Subjects

Dr. McCahan took over at this point and explained the recommended additions to the "common core." They are principles of taxation, business psychology and social problems and social legislation.

Explaining these recommendations, Dr. McCahan pointed out that each of them strikes at an important need of an insurance man—his necessity for working with other people, both the public and other members of his organization, the importance of taxes in establishing and altering needs for insurance and the fact that insurance is now tied closely to social problems and legislation to meet them—social security, workmen's compensation, automobile financial responsibility, etc.

Insurance Subjects

Turning to the specialized requirements for insurance, Dr. Loman recommended six semester hours in fire, marine and allied lines and a similar period in workmen's compensation, casualty and bonding. Each section would call for 90 class hours.

For life insurance majors, Dr. McCahan recommended a slightly longer course, totalling 16 semester hours and 240 class hours. This would include six semester hours each on life insurance and life indemnity and two semester hours each on investments and on wills, trusts and guardianships.

Comments on Proposals

In his comments on this proposal, Mr. Bragg said that in his opinion the proposed course is absolutely adequate training for field work and wished only that even more time could be devoted to business psychology. As a substitute for this, he suggested a seminar in life problems. He said he was particularly enthusiastic over the suggestions for business psychology, English composition and public speaking, because his experience has convinced him that the average college graduate is deficient in these fields and has not learned to handle himself as an instrument of expressing ideas.

Standard Examinations Hoped For

Dean Ackerman said that he hopes standardized examinations may be evolved, as insurance education on the proposed basis grows, on the theory that such examinations will be a check not only on the students but also on the instructors. From the viewpoint of the college administrator, he said the more that established courses can be incorporated into the curriculum, the better the chance of persuading colleges to adopt it. He also proposed that the association adopt a permanent project of fostering this curriculum and issuing periodic reports on its growth and progress.

Discussion on Talk

In his comment on Mr. Graven-gaard's talk, James Elton Bragg, New York, manager Guardian Life, suggested starting young men, preferably college graduates, at a salary on policyholder service work and postponing sending them into production until they have acquired the feel of the company and its relationship to insureds. He said that he personally favors starting agents on a salary basis, and he believes this trend will grow. He urged cooperation between the teachers and the Institute

of Life Insurance and other life insurance organizations on this work.

L. J. Ackerman, dean of University of Connecticut's school of business administration, said he believes the function of the home office in training programs is to help the manager and general agent to discover needs, furnish material, carry on research for new material, train teachers, conduct specialized programs and act as a coordinating force and central clearing house. He said that insurance companies, like other teaching organizations, should be alert to find out the most effective teaching methods and should try to avoid the tendency to adopt old methods to new programs, just because the old methods are handy and established.



David McCahan

Common Stocks for Investment Urged

(CONTINUED FROM PAGE 1)

have accumulated cash resources with which to repay and if earning power has been steady or on the upturn why should the investor ask repayment? he queried.

The problem of price fluctuations of equity securities now required to be valued at year-end market can be handled through the establishment of a special reserve set up from the excess of an arbitrary rate of return, Mr. May suggested. However, he questioned this year-end market method of valuation pointing out that the establishment of a market price at any particular time comes about from the sale or purchase of a minute part of an issue. Obviously, he said this procedure is neither practical nor sound. A much more representative figure is an average valuation based on prices over a period of time and he said there is reason to hope that in time this concept may be adopted.

Mr. Maine said that with federal regulation of security issuance and state insurance supervision, the abuses uncovered by the Armstrong Committee investigation in the early 1900's would not be likely to occur again. This committee recommended that life insurance companies be not permitted to own common stocks because of alleged irregularities in handling large bank deposits, participation in underwriting syndicates, speculative purchases, abuse of stockholder privileges and undue control of management. At that time, Mr. Maine said, insurance company holdings consisted of stocks in other financial institutions or in highly leveraged situations.

He concluded his address with the hope that common stocks with their fundamental qualifications as investments would receive full consideration.

NSL Deadline to Be Aug. 1

WASHINGTON—After hearing testimony of veterans administrator Bradley and representatives of veterans organizations, the House committee on veterans affairs Tuesday recommended Rep. Rogers' bill to extend the deadline from Feb. 1 to Aug. 1 within which NSLI lapsed policies may be reinstated without physical examination. Passage will be speeded.

Protection of Insurance by State Treated in Book

The third edition of "How New York State Protects Life Insurance and Annuities," a 36 page booklet, has just been issued by the New York State Assn. of Life Underwriters. It was written by Albert Hirst, association counsel.

The booklet is designed for use by lawyers, agents and the public. A copy is being sent to every life agent in New York State.

Copies of the booklet may be obtained at a nominal cost from Spencer L. McCarty, executive secretary, New York State Assn. of Life Underwriters, 1011 State Bank building, Albany 7, N. Y.

W. R. Ogle Is the Candidate for Ala. Superintendent

The statement that J. Orlando Ogle is a possibility for appointment as Alabama insurance superintendent is incorrect. It is his brother, W. R. Ogle, who has made application for this appointment. W. R. Ogle is connected with Jefferson Standard Life. J. Orlando Ogle is general agent of General American Life at Birmingham.

Mass. Bonding Employees Reject Union by 3 to 1

BOSTON—United Office & Professional Workers of America, C.I.O. union of white collar workers and industrial life and accident-health agents, lost out by nearly three to one in the election at the Massachusetts Bonding home office here. The union had vigorously campaigned for several months, hoping to be designated as collective bargaining agent for the employees. The vote was 133 to 160. Union support came from the newer employees.

Deny Job Cover in Pa.

HARRISBURG—The Pennsylvania unemployment compensation board of review has reaffirmed an earlier ruling of the state unemployment compensation commission that commission-compensated agents are not eligible for unemployment benefits. In denying the claims of three temporary wartime women agents of Metropolitan Life, the board pointed out that the women were paid on commission and in no other way during the period on which their claims were based.

Metropolitan does not pay salaries to its agents, though in some circumstances an agent may be compensated on a basis other than straight commission, in which case he might be eligible for benefits. However, this condition did not apply to the three women agents.

Pennsylvania laws have for some years provided that commission-compensated agents are not entitled to unemployment benefits. Laws in more than half the other states and also the federal unemployment tax act contain similar exclusions.

Gaines on S. M. U. Staff

Charles E. Gaines, former director of the advanced fiscal course at the St. Louis army finance school, has joined the staff of the institute of insurance marketing at Southern Methodist University. A 1938 graduate of Crawfordsville, he has been with American United Life and Standard Life of Indiana. He served four years in the army finance department as a first lieutenant and instructed courses in finance and fiscal procedures.

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LIFE INSURANCE vs. INFLATION

By President M. Albert Linton

There seems to be little doubt that this country is now in a period of very high prices. How long it will be before prices fall again, or whether the long-run tendency will be upward, no one knows. However, it appears probable that families left in need by the death of the breadwinner within the next few years will require a considerably larger amount of money to provide the necessities of life than was the case only a few years ago. The \$64 question is what is the best method of providing the larger sum needed?

Speculation in stocks, commodities, or real estate is tricky business. Knowing when to sell is always difficult.

If speculative purchases are held beyond the inflation into the inevitable deflation period that will follow, their values will be most uncertain and may involve large losses. Sound investments, with more constant values, return so little interest after taxes that the interest return is almost negligible in building up a sizeable fund in a limited period of time.

Consider on the other hand the sure protection that life insurance will provide in a situation like this. First, let us look at the whole life policy for those who can afford to purchase the amount they need

on that plan; and second the Double-Ten Protector for those who have less leeway in their budgets. The latter plan carries the right to convert the term insurance, without medical, to a permanent plan within seven years—and before the end of this conversion period the inflation question will in all probability have been answered.

For illustrative purposes consider age 35 and compare the amounts payable if the policies become claims in given years, with the net costs during the periods they have been in force.



Year in Which Policy Becomes a Claim	Approximate Relation of the Face of the Policy to its Net Cost	
	Whole Life	Double-Ten Protector
First.....	35 Times.....	63 Times
Second....	20 "	35 "
Fifth.....	9 "	14 "
Tenth.....	4½ "	7 "

One look at these figures is sufficient to make clear the invaluable service life insurance is prepared to render in providing essential protection in a period of inflation. No investment could possibly hold out the prospect of such assured performance.

Sales Ideas From "Provident Notes"

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PROVIDENT MUTUAL LIFE INSURANCE COMPANY of PHILADELPHIA, PA.

"Gives You a Nice Feeling . . .

Delivering those checks each month . . . seeing Mrs. Simmons still living in the same house, in the same way. And her husband was no millionaire—just a comfortably-fixed salary man. A thing like that really sells you on insurance. I've watched other widows move off my route . . . scrimp and save . . . take a job to keep the family going."

It gives the insurance man a nice feeling, too . . . to know that he had a part in arranging for Mrs. Simmons' comfort. The hours he spent working out an insurance program for her husband will be doubly repaid . . . in deep personal satisfaction and in business from those who observe how well the Simmons' affairs are arranged.



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